

PROVISO
SUBCOMMITTEE
RECOMMENDATIONS

~ ~ ~

LEGISLATIVE,
EXECUTIVE, AND
LOCAL GOVERNMENT

**PROVISO SUBCOMMITTEE
LEGISLATIVE, EXECUTIVE & LOCAL GOVERNMENT
RECOMMENDATIONS FOR FY 2011-12
TO THE HOUSE WAYS AND MEANS COMMITTEE**

SECTION 39 - P28 - DEPARTMENT OF PARKS, RECREATION AND TOURISM

39.6 **AMEND** (Regional Tourism) Directs that of the department's appropriated, authorized, or carried forward funds, they shall provide the same level of recurring and non-recurring funds disbursed to the 11 Regional Tourism groups as the groups received in FY 07-08.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct PRT to provide \$275,000 for disbursement among the 11 Regional Tourism groups. Prohibit the department from reducing the amount appropriated for this purpose if a general fund reduction occurs in the current fiscal year.

39.6. (PRT: Regional Tourism) Of the funds appropriated to, authorized for, and/or carried forward by the department, the department shall provide ~~the same level of recurring and non-recurring funds disbursed to~~ *\$275,000 for disbursement among* the eleven Regional Tourism groups ~~as they received in Fiscal Year 2007-08.~~ *In the event the department receives a general fund reduction in the current fiscal year, the department is prohibited from reducing the amount funded to the eleven Regional Tourism groups.*

39.11 **AMEND** (Destination Specific Tourism Transfer) Directs the Department of Revenue, for FY 2010-11, to transfer to PRT the Motion Picture Incentive Rebate set-aside funds carried forward from the prior fiscal year. Directs that these funds be used for the Destination Specific Tourism Program and authorizes the funds to be carried forward and used for the same purpose.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change Fiscal Year "2010-11" to "2011-12." Fiscal Impact: No impact on the General Fund.

39.11. (PRT: Destination Specific Tourism Transfer) From the funds set aside pursuant to the Motion Picture Incentive Wage Rebate, for Fiscal Year ~~2010-11~~ *2011-12*, unexpended funds carried forward from the prior fiscal year shall be transferred from the Department of Revenue to the Department of Parks, Recreation and Tourism and utilized for the Destination Specific Tourism Program. These funds shall be carried forward from the prior fiscal year into the current fiscal year and be expended for the same purpose.

SECTION 70 - A99 - LEGISLATIVE DEPARTMENT

70.14 **DELETE** (Dues) Requires funds appropriated for the Council of State Governments and the National Conference of State Legislatures are to be paid as dues to the respective organizations and shall not be transferred to any other program.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *No funding is provided within the House and Senate Budgets for these items. See proviso 80A.13.* Fiscal Impact: No impact on the General Fund.

70.14. (LEG: Dues) ~~The funds provided herein for the Council of State Governments and the National Conference of State Legislatures are appropriated to be paid as dues to the respective organizations and these funds shall not be transferred to any other program.~~

70.20 **DELETE** (Joint Legislative Committee on Aging Expenses) Directs that members of the Joint Legislative Committee on Aging receive mileage, per diem, and subsistence as provided by law for members of board, committees, and commissions. Direct that expenses for House and Senate members shall be paid by each respective body at the rate provided by law and that

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expenses for members appointed by the Governor shall be paid from funds appropriated to the Governor.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~70.20. (LEG: Joint Legislative Committee on Aging Expenses) Members of the Joint Legislative Committee on Aging shall receive mileage, per diem, and subsistence as provided by law for members of boards, committees, and commissions. Members of the committee who are Senators shall have their expenses paid by the Senate, and members of the House shall have their expenses paid by the House of Representatives at the rate provided by law. Committee members who are appointed by the Governor shall have their expenses paid from funds appropriated to the Governor.~~

- 70.21** **DELETE** (Teacher Certificate/Recertification Staff Exemption) Directs that legislative employees may have \$100 made available to them to pay toward teacher recertification or may request and be granted an exemption from Section 2-1-120 [MEMBERS SHALL RETAIN TEACHING CERTIFICATES WHILE SERVING IN GENERAL ASSEMBLY]which shall be extended to include staff of the General Assembly.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~70.21. (LEG: Teacher Certificate/Recertification Staff Exemption) Legislative employees may have made available to them, \$100 to pay toward teacher recertification or may request and be granted an exemption from Section 2-1-120 which shall be extended to include staff of the General Assembly.~~

- 70.24** **AMEND** (Joint Strategic Technology Committee) Creates a Joint Strategic Technology Committee and provides for membership of the committee. Directs that the purpose of the committee is to review the Statewide Strategic Information Technology Plan and make recommendations as needed to the Senate Finance and House Ways and Means Committees by January 29th and to also recommend priorities for state government enterprise information technology projects and resource requirements as it deems appropriate. Directs the committee to review state agency information technology spending to evaluate whether more effective services and cost savings can be achieved through streamlining, standardizing and consolidating state agency information technology. Requires state agencies to consult with hardware maintenance manager vendors under state contract to determine whether they may achieve cost savings by using these contracts for information technology. Requires the B&C Board to report these finding, by agency, to the joint committee by March 1, 2011. Directs the B&C Board Executive Director to appoint an Agency Directors Technology Advisory Committee and to determine the composition of the committee representing a cross section of state government agencies. Directs the advisory committee to provide input and advice on the Statewide Strategic Information Technology Plan and to assist and advise the Joint Strategic Technology Committee as requested.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the requirement that the findings be provided “no later than March 1, 2011.” Fiscal Impact: No impact on the General Fund.

70.24. (LEG: Joint Strategic Technology Committee) There is created a joint committee of the General Assembly to be known as the Joint Strategic Technology Committee consisting of eight members. The Chairman of the Senate Finance Committee shall appoint four members, at least two of whom must be appointed from the Senate Finance Committee. The

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Chairman of the House Ways and Means Committee shall appoint four members, at least two of whom must be appointed from the House Ways and Means Committee.

The Joint Strategic Technology Committee shall have the following purposes and responsibilities:

(1) The joint committee shall review the Statewide Strategic Information Technology Plan prepared by the Budget and Control Board and the Agency Directors Technology Advisory Committee and, as needed, make recommendations to the Senate Finance Committee and the House Ways and Means Committee regarding the plan by January 29, of the current fiscal year. The joint committee shall also recommend priorities for state government enterprise information technology projects and resource requirements as it determines appropriate;

(2) The joint committee shall review information technology spending by state agencies and evaluate whether greater efficiencies, more effective services and cost savings can be achieved through streamlining, standardizing and consolidating state agency information technology. State agencies must consult with hardware maintenance manager vendors under state contract to determine whether the agency may achieve cost savings by utilizing these contracts for information technology. A report by agency of these findings must be provided to the joint committee by the Budget and Control Board ~~no later than March 1, 2011~~. The joint committee shall recommend to the President Pro Tempore of the Senate and the Speaker of the House of Representatives, for referral to the appropriate standing committees, any statutory changes appropriate for the successful implementation of the Statewide Strategic Information Technology Plan and the efficient and effective management and use of information technology by state government.

The Budget and Control Board and all state agencies shall cooperate with and provide assistance to the Joint Strategic Technology Committee as requested by the committee.

The Executive Director of the Budget and Control Board shall appoint an Agency Directors Technology Advisory Committee. The Executive Director shall determine the number and composition of this committee, which shall represent a cross-section of state government agencies. This committee shall provide input and advice regarding the Statewide Strategic Information Technology Plan being developed by the State through the Budget and Control Board. The committee shall also assist and advise the Joint Strategic Technology Committee at its request.

70.sle **ADD** (Suspend LAC Evaluation) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to suspend the provisions of Section 43-5-1285 [SC FAMILY INDEPENDENCE ACT OF 1995 EVALUATION AND REPORTS] for FY 2011-12. Direct that any savings generated be used to conduct audits required by Section 2-15-60 [DUTIES OF COUNCIL]. *Suspension will enable the LAC to use the funds that would have been spent on this review to conduct audits requested by the General Assembly.* Fiscal Impact: No impact on the General Fund. Requested by Legislative Audit Council.

70.sle. (LEG: Suspend LAC Evaluation) For Fiscal Year 2011-12, the provisions of Section 43-5-1285 of the 1976 Code are suspended. Any savings generated by the suspension of the evaluation of the South Carolina Family Independence Act of 1995 shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

70.dmv **ADD** (DMV Audit Review) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that the LAC is not required to conduct an independent review of DMV and direct that any savings generated be used to conduct audits required by Section 2-15-60

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[DUTIES OF COUNCIL]. *Not being required to conduct the DMV review will enable the LAC to use the funds to conduct audits requested by the General Assembly. Fiscal Impact: No impact on the General Fund. Requested by Legislative Audit Council.*

70.dmv.(LEG: DMV Audit Review) For Fiscal Year 2011-12, the Legislative Audit Council shall not be required to conduct an independent review of the Department of Motor Vehicles. Any savings generated by not conducting the review shall be used to conduct audits required by Section 2-15-60 of the 1976 Code.

SECTION 72 - D21 - GOVERNOR'S OFFICE

- 72.2 DELETE** (GOV: OEPP - Developmental Disabilities Program) Authorizes the SC Developmental Disabilities Program within OEPP to provide aid to sub-grantees for projects and services to benefit persons with developmental disabilities. States that the intent of this provision is to not duplicate other state agency programs but to fill gaps that exist in state service delivery related to this target population identified and addressed in the Developmental Disabilities State Plan.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~72.2. (GOV: OEPP - Developmental Disabilities Program) The South Carolina Developmental Disabilities Program of the Office of the Governor, Office of Executive Policy and Programs is authorized to provide aid to sub-grantees for projects and services to benefit persons with developmental disabilities. The intent of this provision is not to duplicate other state agency programs which are considered the legal and programmatic mandate of existing state agencies, but rather to fill gaps that exist in the state service delivery system related to his target population as identified and addressed in the Developmental Disabilities State Plan.~~

- 72.3 AMEND** (OEPP - Development Disabilities Case Coordination System) Directs that of the appropriation for Allocations to Other State Agencies, \$112,559 less any pro rata base reduction adjustment, must be used for the SC Development Disabilities Case Coordination System.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the expenditure requirement and instead direct that \$50,000 of the funds appropriated to OEPP must be used as a state match for the Developmental Disabilities Council federal grant and direct that these funds be excluded from the agency's base budget when calculating any across-the-board agency base reduction. Fiscal Impact: No impact on the General Fund.

~~72.3. (GOV: OEPP - Development Disabilities Case Coordination System) \$112,559, less any pro rata share adjustment of any mandated base budget reduction, of the sums appropriated under OEPP, Allocations to Other State Agencies must be for the South Carolina Development Disabilities Case Coordination System. Of the funds appropriated to the Governor's Office of Executive Policy and Programs, \$50,000 must be used as state match for the Developmental Disabilities Council federal grant. These funds shall be excluded from the Governor's Office of Executive Policy and Programs' base budget calculation of any across-the-board agency base reductions mandated by the Budget and Control Board or General Assembly.~~

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- 72.12** **DELETE** (OEPP - Foster Care Reduction in Funds Separation) Directs that any reduction in funds appropriated for either the Division of Foster Care or “pass-through” funds for the S.C. Protection and Advocacy for the Handicapped shall be calculated based on the separate funds for the respective entities rather than be based on the combined budget of the two organizations. **PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~72.12. (GOV: OEPP - Foster Care-Reduction in Funds Separation) In recognition of the fact that the funds appropriated for the Division of Foster Care contain both funds appropriated for use by the Division Review System and “pass through” funds designated for use by the South Carolina Protection and Advocacy for the Handicapped, any reduction in funds appropriated for either shall be calculated based upon the separate funds for the respective entities rather than based upon the combined budget of the two organizations.~~

- 72.14** **DELETE** (OEPP - Foster Care-Medicaid Eligible Children) States the intent of the General Assembly to ensure that placements of emotionally disturbed Medicaid eligible individuals under the age of 21 in residential therapeutic treatment are appropriate and that the level of care offered is in the least restrictive environment appropriate to meet the child’s treatment needs. Expands the statutory powers and functions of the Division of Foster Care to develop, implement, and manage a quality assurance review system under contract with the Department of Health and Human Services. Directs that this provision paragraph supersedes any previous statutory or regulatory mandate. **PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~72.14. (GOV: OEPP - Foster Care-Medicaid Eligible Children) It is the intent of the General Assembly to ensure that placements of emotionally disturbed Medicaid eligible individuals under the age of twenty one in residential therapeutic treatment are appropriate and that the level of care provided each child is offered in the least restrictive environment appropriate to meet the child’s treatment needs. The statutory powers and functions of the Division of Foster Care are expanded to develop, implement, and manage a quality assurance review system under contract with the Department of Health and Human Services. This paragraph supersedes any previous statutory or regulatory mandate.~~

- 72.20** **AMEND** (OEPP - ~~Anderson~~ M.J. “Dolly” Cooper Veterans Cemetery Carry Forward) Authorizes Anderson County Veterans Cemetery funds to be carried forward and utilized for the same purpose. **PROVISO SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete reference to “Anderson County” and replace with “M.J. “Dolly” Cooper.” Direct that unexpended Veterans Affairs Program funds, including special items, shall be carried forward and used to operate the cemetery. *The Veterans Cemetery is currently only appropriated personal service funding, not “other operating” funds. The carry forward may provide a small source of revenue for cemetery operations.* Fiscal Impact: No impact on the General Fund. Requested by Governor’s Office of Executive Policy and Programs.

~~72.20. (GOV: OEPP - ~~Anderson~~ M.J. “Dolly” Cooper Veterans Cemetery Carry Forward) The Governor’s Office of Executive Policy and Programs, Veterans’ Affairs Program may carry forward unexpended funds appropriated and/or authorized for the ~~Anderson County~~ M.J. “Dolly” Cooper Veterans Cemetery from the prior fiscal year and shall use such funds for the~~

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same purpose. *In addition, any unexpended funds in the Veterans' Affairs Program, including Special Line Items, shall be carried forward from the prior fiscal year into the current fiscal year and used for operation of the M.J. "Dolly" Cooper Veterans Cemetery.*

- 72.21 AMEND** (Mansion and Grounds Maintenance and Complex Facilities) Requires the Governor's Office to use at least \$241,569 of operating funds to reimburse the B&C Board, Division of General Services for expenses incurred associated with operation and maintenance of the Mansion Complex facilities and grounds. Directs that revenue collected from Mansion Complex facilities and grounds rental must be credited to and maintained in an account within the Governor's Office.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the requirement that the Governor's Office use at least \$241,569 to reimburse the B&C Board, Division of General Services. Fiscal Impact: No impact on the General Fund. Requested by Governor's Office.

~~**72.21.** (GOV: M&G - Mansion and Grounds Maintenance and Complex Facilities) The Governor's Office must use a minimum of \$241,569 of the operating funds appropriated in Part IA, Section 72C to reimburse the Budget and Control Board, Division of General Services, for expenses incurred by the division for the operation and maintenance of the facilities and grounds of the Mansion Complex. Revenue collected from rental of Mansion Complex facilities and grounds must be credited to and maintained in an account within the Governor's Office.~~

- 72.22 DELETE** (OEPP - Crime Victims Ombudsman) Requires the State Office of Victims Assistance to transfer \$48,000 to the Crime Victims Ombudsman's Office for administrative and operational support.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**72.22.** (GOV: OEPP - Crime Victims Ombudsman) For the current fiscal year, the State Office of Victims Assistance shall transfer \$48,000 to the Crime Victims Ombudsman's Office to be used for administrative and operational support.~~

- 72.vae ADD** (OEPP - Veterans' Affairs Budget Reduction Exemption) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to exclude funds appropriated for the Veteran's Affairs Program from OEPP's base budget when calculating across the board agency base reductions mandated by the B&C Board or General Assembly. *Since Veteran's Affairs programs are not assessed a share of any across the board reduction, the funding should be excluded from the calculation.* Fiscal Impact: Veteran's Affairs general fund budget is \$696,762 for FY 10-11. This amount would be excluded from across the board cuts. Requested by Governor's Office of Executive Policy and Programs.

***72.vae.** (GOV: OEPP - Veterans' Affairs Budget Reduction Exemption) Funds appropriated for the Veterans' Affairs Program shall be excluded from the Governor's Office of Executive Policy and Programs base budget in the calculation of any across-the-board agency base reductions mandated by the Budget and Control Board or General Assembly.*

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SECTION 75 - E12 - COMPTROLLER GENERAL'S OFFICE

75.3 **AMEND** (Payroll Deduction Processing Fee) Requires a processing fee, not to exceed 20 cents, for payroll deductions for insurance plans, credit unions, deferred compensation plans and professional associations; directs that the fee shall not apply to charitable deductions; authorizes the Comptroller General to charge the SC Lottery Commission a reasonable processing fee not to exceed \$15,000 annually; allows the revenue generated from these fees and from child support deductions to be used to support the operations of the Comptroller General's Office; and allows unexpended funds to be carried forward and used for the same purposes.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the authorization to charge the Lottery Commission up to \$15,000 to process payroll. *The Lottery Commission now processes their own payroll.* Fiscal Impact: No impact on the General Fund. Other funds the CG receives will be reduced by \$15,000. Requested by Office of the Comptroller General.

75.3. (CG: Payroll Deduction Processing Fee) There shall be a fee for processing payroll deductions, not to exceed 20 cents, for insurance plans, credit unions, deferred compensation plans and professional associations per deduction per pay day. This fee shall not be applied to charitable deductions. ~~The Comptroller General is authorized to charge a reasonable fee to the South Carolina Lottery Commission for the purpose of payroll processing not to exceed \$15,000 annually.~~ The revenues generated from these fees and those provided for child support deductions, in accordance with Section 20-7-1315(F)(3), S. C. Code of Laws, 1976, as amended, may be used to support the operations of the Office of Comptroller General and any unexpended balance may be carried forward from the prior fiscal year to the current fiscal year and utilized for the same purposes.

75.fwm **ADD** (Federal 3% Withholding Mandate) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that if the provision in the Tax Reconciliation Act of 2005 (Public Law 109-222) that requires withholding 3% of payments to vendors and other payees for remission to the IRS is enacted into law and implemented by the Federal Government, the Comptroller General's Office may assess state agencies for their pro rata share of the costs of implementing and operating the program to comply with the federal mandate. Limit the total assessment cost charged to agencies to \$235,000 during the first year of the program. Direct that the assessment methodology be based on each agency's volume of payments to which the 3% withholding mandate would have applied during the last completed fiscal year. Require an explanation of the assessment methodology and the amount of the assessment to be charged to each agency be provided to the Chairmen of the Senate Finance and House Ways and Means Committees at least 15 days before the assessments are issued. Direct that the agencies must pay the assessment within 30 days of issuance.

75.fwm. (CG: Federal 3% Withholding Mandate) *In the event the provision in the Tax Reconciliation Act of 2005 (Public Law 109-222) requiring the withholding of three per cent (3%) of payments to vendors and other payees for remission to the Internal Revenue Service is enacted into law and implemented by the Federal Government, the Comptroller General's Office may assess charges against state agencies for their pro rata share of the costs of the implementation and operation of the program to comply with this federal mandate. The total costs of the program assessed against agencies during the first fiscal year of the program shall*

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not exceed \$235,000. The methodology for the pro rata assessment shall be based on each agency's volume of payments to which the three percent (3%) withholding mandate would have applied during the last completed fiscal year. The Comptroller General's Office shall provide the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee with an explanation of the assessment methodology and the assessment to be charged to each agency at least fifteen (15) days before the issuance of the assessments. The assessment shall be paid by each agency to the Comptroller General's Office within thirty (30) days of the issuance of the assessment. Requested by Office of Comptroller General.

75.ferp **ADD** (Federal Expanded 1099 Reporting Mandate) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that if the provision in the Patient Protection and Affordable Care Act of 2010, as amended, requiring (1) the issuance of IRS Form 1099 for vendors that are corporations and (2) the IRS Form 1099 include payments for property is enacted into law and implemented by the Federal Government, the Comptroller General's Office may assess state agencies for their pro rata share of the costs of implementing and operating the program to comply with the federal mandate. Limit the total assessment cost charged to agencies to \$255,000 during the first year of the program. Direct that the assessment methodology be based on each agency's number of vendors to which the expanded Form 1099 reporting mandate would have applied during the last completed fiscal year. Require an explanation of the assessment methodology and the amount of the assessment to be charged to each agency be provided to the Chairmen of the Senate Finance and House Ways and Means Committees at least 15 days before the assessments are issued. Direct that the agencies must pay the assessment within 30 days of issuance. Requested by Office of Comptroller General.

75.ferp. (CG: Federal Expanded 1099 Reporting Mandate) In the event the provision in the Patient Protection and Affordable Care Act of 2010, as amended, requiring (1) the issuance of IRS Form 1099 for vendors that are corporations and (2) the IRS Form 1099 include payments for property is enacted into law and implemented by the Federal Government, the Comptroller General's Office may assess charges against state agencies for their pro rata share of the costs of the implementation and operation of the program to comply with this federal mandate. The total costs of the program assessed against agencies during the first fiscal year of the program shall not exceed \$255,000. The methodology for the pro rata assessment shall be based on each agency's number of vendors to which the expanded Form 1099 reporting mandate would have applied during the last completed fiscal year. The Comptroller General's Office shall provide the Chairman of the House Ways and Means Committee and the Senate Finance Committee with an explanation of the assessment methodology and the assessment to be charged to each agency at least fifteen (15) days before the issuance of the assessments. The assessment shall be paid by each agency to the Comptroller General's Office within thirty (30) days of the issuance of the assessment.

SECTION 76 - E16 - STATE TREASURER'S OFFICE

76.7 **DELETE** (ScienceSouth) Directs the Office of the State Treasurer to transfer \$500,000 from Subfund 4019 Governor's Teaching School Loan Program to ScienceSouth for training public school teachers in science curriculum standards. Authorizes the transferred funds to be carried forward.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

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~~76.7. (TREAS: ScienceSouth) The Office of State Treasurer is directed to transfer \$500,000 from Subfund 4019 Governor's Teaching School Loan Program to ScienceSouth for the training of public school teachers in science curriculum standards through grade specific, standards based instructional activities. Funds transferred to ScienceSouth may be carried forward.~~

76.aff **ADD** (Audit Finding Follow-Up) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct and empower the State Treasurer to follow-up on audit findings issued by the LAC, the State Auditor, or any other independent audit that involves receipt and disbursement of state funds or in achieving cost savings; to conduct additional audits or take other actions to ensure state funds have been properly received and disbursed in accordance with legislative intent; and to contract for or conduct recovery audits to identify overpayments or erroneous payments to vendors. Authorize the State Treasurer to recover amounts due agencies or institutions by seeking refunds, withholding future payments or distributions, or by other actions deemed appropriate, including legal action on behalf of the State. Require entities disbursing or receiving state funds to cooperate with the State Treasurer in these activities. Direct the State Treasurer to deposit any funds collected by this provision in a separate account for appropriation by the General Assembly, unless otherwise provided for by law. Authorize the State Treasurer to retain and expend a portion of any funds received to pay for costs associated with managing and enforcing this provision. Direct the State Treasurer to annually report to the General Assembly on the management activities and cost recoveries. *Currently there are limited provisions for ensuring recovery of state funds in audit findings or cost savings. This proviso grants the State Treasurer the authority to follow-up and recover funds.* Fiscal Impact: The State Treasurer indicates this provision is expected to produce additional revenue or cost savings for the state. Requested by Office of State Treasurer.

76.aff. (TREAS: Audit Finding Follow-Up) The State Treasurer is directed and empowered to: a) follow-up on audit finding issued by the Legislative Audit Council, the Office of State Auditor, or any other independent audit involving the receipt or disbursement of state funds or achieving cost savings for the State or its agencies and institutions; b) conduct additional audits or take other actions to ensure proper receipt and disbursement of state funds in accordance with legislative intent; and c) contract for or conduct recovery audits designed to identify overpayments or erroneous payments to vendors. The State Treasurer may recover any amounts due the State agencies or institutions by seeking refunds, withholding future payments or distributions, or by whatever other actions the State Treasurer deems appropriate including appropriate legal action on behalf of the State. All entities disbursing or receiving state funds shall cooperate with the State Treasurer in these activities. The State Treasurer shall deposit any funds collected by this provision in a separate account to be appropriated by the General Assembly, unless otherwise provided for by law. The State Treasurer may retain and expend a portion of any funds received to pay for costs associated with the management and enforcement of this provision. The State Treasurer shall report annually to the General Assembly on its management activities and cost recoveries regarding this directive.

SECTION 78 - E24-ADJUTANT GENERAL'S OFFICE

78.12 **AMEND** (Citadel-S.C. National Guard Readiness Center) Directs the Adjutant General's Office, during FY 10-11, to repay to the General Fund \$1,250,000 of the \$2,500,000

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appropriated for the Citadel-S.C. National Guard Readiness Center in proviso 73.12 of the FY 07-08 Appropriation Act. Directs that if the entire \$2.5 million has been repaid no further payment is required.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update Fiscal Year “2010-11” to “2011-12.” Fiscal Impact: No impact on the General Fund if the entire \$2.5 million has been repaid, otherwise \$1.25 million is directed to be deposited into the General Fund.

78.12. (ADJ: Citadel-S.C. National Guard Readiness Center) The Adjutant General’s Office, during Fiscal Year ~~2010-11~~ 2011-12, shall repay to the General Fund of the State \$1,250,000 of the \$2,500,000 appropriated by proviso 73.12 of the Fiscal Year 2007-08 Appropriation Act to the Adjutant General’s Office for the Citadel-South Carolina National Guard Readiness Center unless the entire \$2,500,000 loan has been repaid, in which case no further payment shall be required.

78.fc **ADD** (Funeral Caisson) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit Funeral Caisson funds from being reduced if a general fund budget reduction is mandated and to also prohibit these funds from being transferred or used for any other purpose. Fiscal Impact: No impact on the General Fund. Funds are currently appropriated in the amount of \$100,205.

78.fc. (Funeral Caisson) In the event of a mandated general fund budget reduction, the Adjutant General’s Office is prohibited from reducing the funds appropriated for the Funeral Caisson. In addition, these funds shall not be transferred to any other program or be used for any other purpose by the Adjutant General’s Office.

SECTION 79 - E28-ELECTION COMMISSION

79.1 **DELETE** (County Registration Board and County Election Commission Compensation) Directs that \$1,500 for each County Registration Board Member & County Election Commissioner, not to exceed \$12,500 per county, be disbursed to the County Treasurer. Directs that any funds not used for compensation of these members be returned to the State Treasurer. Exempts these funds from mandated budget reductions and excludes these funds from the agency’s base budget in calculating any across the board agency base reduction mandated by the B&C Board or the General Assembly.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Funding was vetoed by the Governor for FY 10-11, thus no funds are appropriated for this purpose.* Fiscal Impact: No impact on the General Fund. Requested by Election Commission.

79.1. (ELECT: County Registration Board and County Election Commission Compensation) ~~The amounts appropriated in this section for “County Registration Board Members and County Election Commissioners,” shall be disbursed annually to the County Treasurer at the rate of \$1,500 for each member, not to exceed \$12,500 per county. The County Treasurer shall use these funds only for the compensation of County Registration Board Members and County Election Commissioners. Any funds not used for this purpose shall be returned to the State Treasurer. These funds are exempted from mandated budget reductions. In addition, in the calculation of any across the board agency base reductions mandated by the Budget and Control Board or the General Assembly, the amount of funds appropriated for~~

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~~compensation of County Registration Board Members and County Election Commissioners shall be excluded from the agency's base budget.~~

- 79.6** **AMEND** (Primary and General Election Carry Forward) Authorize filing fees paid by candidates filing to run in statewide or special primary elections to be retained, expended, and carried forward to conduct primary elections. Authorize Primary and General Election Accounts funds to be carried forward and expended for the same purpose.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to allow these funds to also be used to conduct the 2012 Presidential Preference Primary elections. Fiscal Impact: No impact on the General Fund. The agency indicates there remains approximately \$1.3 million in the General Election account and \$80,000 in the primary election account.

79.6. (ELECT: Primary and General Election Carry Forward) Filing fees received from candidates filing to run in statewide or special primary elections may be retained and expended by the State Election Commission to pay for the conduct of primary elections. Any balance in the filing fee accounts on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. In addition, any balance in the Primary and General Election Accounts on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. In addition, the aforementioned funds may also be utilized to conduct the 2012 Presidential Preference Primary elections.

- 79.11** **DELETE** (Maintenance of Effort) Requires a portion of "Maintenance of Effort," funds be used to conduct a timely reconciliation of voter registration files maintained by the Election Commission.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Funds have been depleted.* Fiscal Impact: No impact on the General Fund. Requested by Election Commission.

~~**79.11.** (ELECT: Maintenance of Effort) Of funds appropriated to the State Election Commission for the purposes of "Maintenance of Effort," a portion must be used to conduct a timely reconciliation of voter registration files maintained by the State Election Commission.~~

- 79.12** **AMEND** (Presidential Preference Primary and Ballot Security) Authorizes the Election Commission to carry forward and use funds originally appropriated for conducting the Presidential Preference Primary elections and for Ballot Security to conduct the 2010 Statewide Primaries/Runoff.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete reference to carrying forward Presidential Preference Primary elections funds (*funds have been expended*) and update Statewide Primaries Runoff from "2010" to "2012." Fiscal Impact: No impact on the General Fund. The agency indicates approximately \$284,000 Ballot Security funding is available to be carried forward. Requested by Election Commission. AMEND FURTHER to authorize the Ballot Security funds carried forward to also be used to conduct the 2012 Presidential Preference Primary elections.

79.12. (ELECT: Presidential Preference Primary and Ballot Security) The State Election Commission is authorized to carry forward and use funds originally appropriated ~~for~~ conducting the Presidential Preference Primary elections and for Ballot Security to conduct the 2012 Presidential Preference Primary elections and the 2010 2012 Statewide Primaries/Runoff.

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SECTION 80A - F03 - BUDGET AND CONTROL BOARD

80A.9 DELETE (Carry Forward - State Water Pollution Control Revolving Fund) Directs that if any loan fee funds accumulated by the B&C Board are not expended during the preceding fiscal year, they may be carried forward and expended for conducting the State Revolving Fund programs for wastewater or drinking water.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~80A.9. (BCB: Carry Forward - State Water Pollution Control Revolving Fund) If any funds accumulated by the Budget and Control Board from loan fees are not expended during the preceding fiscal years, such funds may be carried forward and expended for the costs associated with conducting the State Revolving Fund programs for wastewater or drinking water.~~

80A.13 DELETE (Technology and Other Initiatives) Directs the board to use \$100,000 to support partnerships that further initiatives to align higher educational programs with technology intensive industry needs. Direct the board to pay the annual NCSL and CSG dues.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: Pending funding recommendation.

~~80A.13.(BCB: Technology and Other Initiatives) The Budget and Control Board shall use \$100,000 to support partnerships that further initiatives to align higher educational programs with the needs of technology intensive industries. Additionally, the board shall pay the annual dues for NCSL and CSG.~~

80A.20 AMEND (Election File Merge) Directs the Office of Research and Statistics (ORS), in conjunction with the S.C. Election Commission, to merge the voter registration file with the office's Geocoded Address List and the district boundaries of the Congress, S.C. Senate, S.C. House of Representatives, county councils, city councils, school districts, and commissions of public works to assist the County Registration and Election Commissions to ensure that registered voters are assigned to proper election districts. Directs that the merged systems will allow the Office of Research & Statistics to provide the respective county officials with a list of potential voters possibly assigned to the wrong election district.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete city councils, school districts and commissions of public works from the requirement to provide election information. Requires counties and municipalities to release GIS information to ORS upon a written request submitted to the county or municipality's chief administrative officer and direct that they be informed that failure to comply within 30 days of the request may result in the withholding of 10% of the county's or municipality's state aid. Authorize the ORS director to grant additional time for good cause and direct that release must be waived if the county or municipality does not possess GIS data. Direct the ORS director, after the required notice has been sent, to notify the State Treasurer of any county or municipality that has failed to comply with releasing their GIS data. Direct that notification shall result in withholding 10% of subsequent payments of state aid to the entity until the GIS data is provided. Authorize municipal and county data acquired by ORS under this provision to be used for other functions of the office. *Clarifies that ORS is only required to merge files and data for election districts that have official records. Ensures that local information is provided in a timely manner.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

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80A.20.(BCB: Election File Merge) In order to assist the County Registration and Election Commissions to ensure that registered voters are assigned to proper election districts, the Office of Research and Statistics, in conjunction with the South Carolina Election Commission, shall merge the voter registration file with the office's Geocoded Address List and the district boundaries of the Congress, SC Senate, SC House of Representatives, county councils, ~~city councils, school districts and commissions of public works~~ and such other districts as the office possesses official district boundary records in electronic format. The merged systems will allow the Office of Research and Statistics to provide the respective county officials with a list of potential voters who are possibly assigned to the wrong election district. Counties and municipalities shall release GIS to the Office of Research and Statistics upon the Office's written request. Written request must be sent to the chief administrative officer of the county or municipality and advise the county or municipality that failure to comply within thirty days of request may result in the withholding of ten percent of the county's or municipality's state aid. The Director of the Office of Research and Statistics may grant additional time for good cause and must waive release if the county or municipality does not possess GIS data. For counties and municipalities that possess GIS data but do not release it, the Director of the Office of Research and Statistics shall notify the State Treasurer of the failure to comply with this provision after the required notice. Notification shall result in the withholding of ten percent of subsequent payments of state aid to the entity until the GIS data is provided. Municipal and county data acquired by the Office of Research and Statistics in the course of performing its responsibilities under this provision may be used for other functions of the office.

80A.23 DELETE (Base Closure Carry Forward) Authorizes Base Closure Fund appropriations to be carried forward and used for the same purpose.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**80A.23.**(BCB: Base Closure Carry Forward) Funds appropriated to the Budget and Control Board for the Base Closure Fund shall be carried forward into the current fiscal year and shall be used for the same purpose.~~

80A.32 DELETE (Census Carry Forward) Authorizes unexpended Census Promotion and Participation funds to be carried forward and used for the same purposes.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Funds have been expended.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

~~**80A.32.**(BCB: Census Carry Forward) Any unexpended funds appropriated to the Budget and Control Board for Census Promotion and Participation may be carried forward from the prior fiscal year to the current fiscal year and used for the same purposes.~~

80A.37 DELETE (December Holidays) Directs that employees observe the Saturday, December 25, 2010 and Sunday, December 26, 2010 holidays on Monday, December 27, 2010 and Tuesday, December 28, 2010, respectively.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund. *See new proviso 80A.dh.*

~~**80A.37.**(BCB: December Holidays) For state employees, the Saturday, December 25, 2010 legal holiday shall be observed on Monday, December 27, 2010, and the Sunday, December 26, 2010 legal holiday shall be observed on Tuesday, December 28, 2010.~~

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80A.38 DELETE (State Health Plan Obesity Treatment Pilot Program) Directs the board, when they establish the 2011 State Health Plan Benefits, to establish a one year pilot program, for 2011 only, to provide treatment and management of obesity and related conditions through various methods including, but not limited to, bariatric surgery as a treatment option. Provides guidelines for the program. Directs the pilot program is limited to 100 patients from different regions in the state. Requires the State Health Plan to annually report detailed information on the program's trends. Requires a patient to serve as his own control by comparing health care costs in the preceding two years to his health care costs following surgery. Directs that surgeries performed under this program be those determined most medically appropriate for participating patients.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Program was a one-year pilot program.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

~~**80A.38.** (BCB: State Health Plan Obesity Treatment Pilot Program) (A) The Budget and Control Board, when establishing the State Health Plan of Benefits for Plan Year 2011, shall establish a one year pilot program designed to address the problem of the high rate of obesity in South Carolina by providing for the treatment and management of obesity and related conditions through various methods including, but not limited to, bariatric surgery as a treatment option. The State Health Plan through the Budget and Control Board must conduct this program as provided in this proviso. The program will operate only in Plan Year 2011.~~

~~(B)(1) The State Health Plan shall develop criteria for patient and facility eligibility for the program which shall include, but not be limited to, bariatric surgical guidelines and criteria of the American Association of Clinical Endocrinologists (AACE), The Obesity Society (TOS), and American Society for Metabolic & Bariatric Surgery (ASMBS) Guidelines for Clinical Practice for the Perioperative Nutritional, Metabolic, and Nonsurgical Support of the Bariatric Surgery Patient.~~

~~(2) In addition to the considerations required in item (1) of this subsection, criteria for patient participation must include that a person may be eligible for bariatric surgery in the program if he is a State Health Plan participant covered as either a subscriber or spouse and is not eligible for Medicare and:~~

~~(a) (i) has a body mass index greater than forty; or~~

~~(ii) has a body mass index greater than thirty five and with a co-morbidity such as diabetes, hypertension, gastro-esophageal reflux disease, sleep apnea, or asthma;~~

~~(b) has participated in the State Health Plan for at least the immediately preceding two years;~~

~~(c) has documented with his primary practitioner at least two failed attempts at sustained weight loss using programmatic methods as approved by the Plan; and~~

~~(d) has presented a pre-operative psychological evaluation indicating the patient is a satisfactory candidate for surgery.~~

~~(3) In addition to the considerations required in item (1) of this subsection, a medical center or hospital may be eligible to deliver bariatric surgery in the program if it:~~

~~(a) is a nationally designated ASMBS Center of Excellence for Bariatric Surgery, an American College of Surgeons (ACS) Bariatric Surgery Center Network member, or a Blue Distinction Center for Bariatric Surgery;~~

~~(b) has all the critical post surgical patient support in place including, but not limited to:~~

~~(i) a nutritionist or dietician for patient access;~~

~~(ii) individual and group support meetings;~~

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~~(iii) development of personalized weight loss goals and management and support for lifelong life style changes; and~~

~~(iv) a physical activity component; and~~

~~(e) imposes an initial surgical fee that must include eighteen months follow up care for the patient that includes, but is not limited to, clinical complications, all band adjustments, use of COE support staff, use of nutritionists, and access to group meetings.~~

~~(C) The program may approve not more than one hundred patients from different regions in the state for the program based on the guidelines developed by the State Health Plan.~~

~~(D)(1) The State Health Plan shall report annually to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee with detailed information on the program's trends including, but not limited to, pre surgical medical and prescription costs, including those associated with obesity and its co-morbidities, and postsurgical medical and prescription costs, including those related to complications from the surgery. A patient must serve as his own control by comparing health care costs in the preceding two years to his health care costs following surgery.~~

~~(2) Surgeries performed under this program shall be that determined most medically appropriate for participating patients.~~

80A.dh ADD (December Holidays) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that for 2011, employees observe the Saturday, December 24th legal holiday on Friday, December 23rd; and the Sunday, December 25th and Monday December 26th legal holidays on Monday, December 26th and Tuesday, December 27th, respectively. *Provides authority of observance of legal holidays on alternate days that are not expressly authorized by existing statute.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

80A.dh. (BCB: December Holidays) For state employees, the Saturday, December 24, 2011 legal holiday shall be observed on Friday, December 23, 2011; the Sunday December 25, 2011 legal holiday shall be observed on Monday, December 26, 2011, and the Monday, December 26, 2011 legal holiday shall be observed on Tuesday, December 27, 2011.

SECTION 80C - F30-BUDGET AND CONTROL BOARD, EMPLOYEE BENEFITS

80C.1 DELETE (Deferred Compensation) Directs the State, to the extent funds are appropriated, to make contributions to deferred compensation plans on behalf of permanent full time state employees who were employed and earned less than \$20,000 a year as of July 1, 2000. Directs the board to determine the amount, terms and conditions of the contributions without those employees making contributions to the plan.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Funding has not been provided by the General Assembly to enact this provision in recent years.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

~~**80C.1.** (BCB/EB: Deferred Compensation) To the extent funds are appropriated, the State shall make contributions to deferred compensation plan accounts on behalf of permanent, full time state employees who were employed and earned less than \$20,000 per year as of July 1, 2000, in an amount and under the terms and conditions prescribed for such contributions by the Budget and Control Board, without such employees making contributions to the deferred compensation plan.~~

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80C.4 DELETE (County Council Member) Directs that a person who is eligible to participate in the state health and dental insurance plans as a council member of a participating county, who is also eligible to participate as the spouse of a covered employee or retiree may only participate in the insurance plans as either an employee or a spouse, but not as both.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**80C.4.** (BCB/EB: County Council Member) A person who is eligible to participate in the state health and dental insurance plans as a council member of a participating county and who is also eligible to participate as the spouse of a covered employee or retiree may choose to participate in the insurance plans as either an employee or a spouse, but not both.~~

SECTION 82 - R52 - STATE ETHICS COMMISSION

82.1 DELETE (Electronic Filing) Authorizes the Ethics Commission to require all statements and forms filed with the commission to be filed using the electronic filing system developed pursuant to Section 8-13-365. Requires all funds saved be used to offset the cost of administering and enforcing the Ethics Act. Authorizes unexpended funds to be carried forward.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Codified in Section 8-13-365 [ELECTRONIC FILING SYSTEM FOR DISCLOSURES AND REPORTS; PUBLIC ACCESSIBILITY].* Fiscal Impact: No impact on the General Fund. Agency should realize a cost savings due to less postage and paper usage while other funds generated will be less due to the reduced sale of documents. Requested by Ethics Commission.

~~**82.1.** (ETHICS: Electronic Filing) The State Ethics Commission is authorized to require all statements and forms filed with the commission to be filed using the electronic filing system developed pursuant to Section 8-13-365 of the 1976 Code. All funds saved must be used to offset the costs of administering and enforcing the Ethics, Government Accountability, and Campaign Reform Act. The State Ethics Commission shall be authorized to carry forward unexpended funds from the prior fiscal year into the current fiscal year for the same purpose.~~

82.lfi ADD (Lobbying Fee Increase) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the Ethics Commission to increase the registration fees for lobbyists and lobbyist principals to \$200. Direct that 50% of the increased fee be remitted to the general fund and 50% be retained by the commission and used to offset costs associated with administering and enforcing Chapter 17 of Title 2 [LOBBYISTS AND LOBBYING] and Chapter 13 of Title 8 [ETHICS, GOVERNMENT ACCOUNTABILITY, AND CAMPAIGN REFORM]. Authorize excess funds to be carried forward and used for the same purpose. Fiscal Impact: OSB indicates additional revenue of \$125,000 to \$150,000 would be generated annually. Requested by Ethics Commission.

82.lfi. (ETHICS: Lobbying Fee Increase) The State Ethics Commission is authorized to increase lobbyist and lobbyist's principal registration fees to two hundred dollars. Fifty percent of the increased fee shall be remitted to the general fund and the remaining fifty percent shall be retained by the commission to be used to offset costs associated with the administration and enforcement of Chapter 17 of Title 2 and Chapter 13 of Title 8 of the South Carolina Code of Laws, 1976, as amended. Any excess funds may be carried forward into the current fiscal year to be used for the same purpose.

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- 82.co** **ADD** (Confidentiality) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to preclude the State Ethics Commission staff from making any public comment which reflects a personal opinion about any matter which is before or which is pending action before the commission or the commission staff. Direct that this provision does not abridge the commission's responsibilities pursuant to the Freedom of Information Act, Section 30-4-10, et. seq. Fiscal Impact: No impact on the General Fund.

82.co. (ETHICS: Confidentiality) The State Ethics Commission staff shall be precluded from making any public comment which in any way reflects a personal opinion about any matter which is before or which is pending action before the commission or the commission staff. Nothing in this provision shall abridge the commission's responsibilities pursuant to the Freedom of Information Act, Section 30-4-10, et. seq. of the 1976 Code.

SECTION 83 - S60-PROCUREMENT REVIEW PANEL

- 83.1** **DELETE** (Filing Fee) Authorizes the Procurement Review Panel to charge a \$250 filing fee to the party requesting an administrative review under Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6) and/or 11-35-4410(4) of the S.C. Code of Laws. Directs the agency to retain the funds generated by the filing fee and to use such fees for agency operations. Requires forfeiture of the filing fee when an appeal is withdrawn. Allows for waiver of the fee in case of hardship.
- PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso.

~~**83.1.** (PRP: Filing Fee) Requests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the South Carolina Code Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6) and/or 11-35-4410. The funds generated by the filing fee shall be retained by the panel and carried forward to be used for the operation of the panel. Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of hardship, the party shall submit a notarized affidavit to such effect. If after reviewing the affidavit the panel determines that such hardship exists, the filing fee shall be waived.~~

SECTION 84 - V04-DEBT SERVICE

- 84.1** **AMEND** (Excess Debt Service Funds Carry Forward) Authorizes excess Debt Service funds to be carried forward from FY 08-09 and be spent for debt service purposes in FY 09-10.
- PROVISO SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change fiscal year references from "2009-10" to "2010-11" and "2010-11" to "2011-12."

84.1. (DS: Excess Debt Service Funds Carry Forward) Excess Debt Service funds from Fiscal Year ~~2009-10~~ 2010-11 may be carried forward and expended for debt service purposes in Fiscal Year ~~2010-11~~ 2011-12.

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SECTION 86 - X22 - AID TO SUBDIVISIONS, STATE TREASURER

86.2 **AMEND** (Local Government Flexibility) Directs that for FY 10-11, counties may transfer funds among appropriated state revenues as needed to ensure delivery of services.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change Fiscal Year “2010-11” to “2011-12.”

86.2. (AS-TREAS: Local Government Flexibility) Fiscal Year ~~2010-11~~ 2011-12, counties of this State may transfer funds among appropriated state revenues as needed to ensure the delivery of services.

86.3 **AMEND** (Quarterly Distributions) Directs that for FY 10-11, the quarterly distribution for Aid to Subdivisions-Local Government Fund entities be as follows: 1st quarter is to equal the amount of the last quarterly distribution for FY 09-10 and the next three quarters shall be reduced in equal amounts with the four distributions totaling the 10-11 appropriation from the Local Government Fund.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change fiscal year references from “2010-11” to “2011-12” and “2009-10” to “2010-11.”

86.3. (AS-TREAS: Quarterly Distributions) For Fiscal Year ~~2010-11~~ 2011-12, the amount of the four quarterly distributions from the Aid to Subdivisions-Local Government Fund shall be as follows: The amount of the first quarterly distribution for each entity shall equal the amount of the last quarterly distribution for Fiscal Year ~~2009-10~~ 2010-11 and thereafter the next three quarterly distributions shall be in reduced equal amounts, the four distributions together totaling the ~~2010-11~~ 2011-12 appropriation from the Local Government Fund.

86.7 **DELETE** (LGF) Suspends Sections 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] and 6-27-50 [RESTRICTIONS ON AMENDMENT OR REPEAL OF CHAPTER] for the current fiscal year.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

86.7. (AS-TREAS: LGF) ~~For Fiscal Year 2010-11, the provisions of Section 6-27-30 and Section 6-27-50 of the 1976 Code are suspended.~~

86.8 **AMEND** (Flexibility) Allows a political subdivision that receives funds from the Local Government Fund to reduce its support to any state mandated program or requirement, if there is no specific funding level or amount of support required by law, by up to the same percentage the actual amount appropriated to the Local Government Fund was reduced in the current fiscal year as compared to the last completed fiscal year.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change Fiscal Year “2010-11” to “2011-12.”

86.8. (AS-TREAS: Flexibility) For Fiscal Year ~~2010-11~~ 2011-12, a political subdivision receiving aid from the Local Government Fund may reduce its support to any state mandated program or requirement, for which a specific level or amount of support or funding is not provided by law, by up to a percentage equal to the percentage reduction in the actual amount appropriated to the Local Government Fund as compared to the last completed fiscal year.

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86.em **ADD** (Equivalent Millage and Local Government Fund Reduction) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct that if a municipality's boundaries extend into more than one county and those counties implement required countywide appraisal and equalization programs on different schedules, the municipality's governing body shall set an equivalent millage to be used to compute municipal ad valorem property taxes. Direct that the equivalent millage be determined by a methodology established by the respective county auditors consistent with the methodology for calculating equivalent millage established by DOR for use in such situations. Direct that the purpose of this provision is to equalize the tax burdens within the municipality. Direct that if any municipality does not implement these provisions during the Fiscal Year 2011-12, it shall have its 2011-12 distribution from the Local Government Fund under the State Aid to Subdivisions Act reduced by an amount equal to what the State Treasurer, upon consultation with DOR, determines that taxpayers in the municipality collectively were overcharged in ad valorem property taxes by the municipality's failure to implement these provisions during FY 2011-12. Fiscal Impact: No impact on the General Fund.

86.em. (AS-TREAS: Equivalent Millage and Local Government Fund Reduction) (A) If the boundaries of a municipality extend into more than one county and those counties implement required countywide appraisal and equalization programs on different schedules, then the governing body of the municipality shall set an equivalent millage to be used to compute municipal ad valorem property taxes. The equivalent millage to be set by the municipal governing body shall be determined by methodology established by the respective county auditors which shall be consistent with the methodology for calculating equivalent millage to be established by the Department of Revenue for use in such situations, the purpose of this provision being to equalize the tax burdens within the municipality.

(B) Any municipality which fails to implement the provisions of subsection (A) during the 2011-12 fiscal year shall have its 2011-12 distribution from the Local Government Fund under the State Aid to Subdivisions Act reduced by an amount equal to what the State Treasurer, upon consultation with the Department of Revenue, determines that taxpayers in the municipality collectively were overcharged in ad valorem property taxes by the municipality's failure to implement the provisions of subsection (A) during Fiscal Year 2011-12.

86.scr **ADD** (Speed Camera Restriction) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit a political subdivision from collecting any fines, fees or costs resulting from issuing uniform traffic citations or any other form of traffic citation that is based or has relied on camera assisted evidence. Direct that any municipality which fails to comply with this provision during the FY 2011-12 shall have its FY 2011-12 distribution from the Local Government Fund under the State Aid to Subdivisions Act reduced by an amount equal to the amount of fines, fees or costs collected by the political subdivision through issuing camera assisted traffic citations.

86.scr. (AS-TREAS: Speed Camera Restriction) No political subdivision of this state shall collect any fines, fees or costs which result from the issuance of uniform traffic citations or any other form of traffic citation that is based or has relied on camera assisted evidence.

Any municipality which fails to comply with this provision during the Fiscal Year 2011-12 shall have its Fiscal Year 2011-12 distribution from the Local Government Fund under the State Aid to Subdivisions Act reduced by an amount equal to the amount of fines, fees or

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costs collected by the political subdivision through the issuance of camera assisted traffic citations.

SECTION 89 - X90-GENERAL PROVISIONS

89.2 **AMEND** (Appropriations From Funds) Directs that funds appropriated from the General Fund, EIA Fund, Highways and Public Transportation Fund and other applicable funds are to meet the ordinary expenses of the State for FY 2010-11.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change fiscal year reference from “2010-11” to “2011-12.” Fiscal Impact: No impact on the General Fund.

89.2. (GP: Appropriations From Funds) Subject to the terms and conditions of this act, the sums of money set forth in this part, if so much is necessary, are appropriated from the General Fund of the State, the Education Improvement Act Fund, the Highways and Public Transportation Fund, and other applicable funds, to meet the ordinary expenses of the state government for Fiscal Year ~~2010-11~~ 2011-12, and for other purposes specifically designated.

89.3 **AMEND** (Fiscal Year Definitions) Defines current and prior fiscal year time frames.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year references from “2010” to “2011;” “2011” to “2012;” and “2009” to “2010.” Fiscal Impact: No impact on the General Fund.

89.3. (GP: Fiscal Year Definitions) For purposes of the appropriations made by this part, “current fiscal year” means the fiscal year beginning July 1, ~~2010~~ 2011, and ending June 30, ~~2011~~ 2012, and “prior fiscal year” means the fiscal year beginning July 1, ~~2009~~ 2010, and ending June 30, ~~2010~~ 2011.

89.25 **AMEND** (State Owned Aircraft - Maintenance Logs) Provides flight log and aircraft usage guidelines for agencies that have one or more aircraft.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “Division of State Development” to “Department of Commerce” and change Section “8-13-410(1)” to “8-13-700(A).” *Reflect correct code cite.* Fiscal Impact: No impact on the General Fund.

89.25. (GP: State Owned Aircraft - Maintenance Logs) Each agency having in its custody one or more aircraft shall maintain a continuing log on all flights, which in order to promote accountability and transparency shall be open for public inspection and shall also be posted online. Any and all aircraft owned or operated by agencies of the State Government shall be used only for official business. The Division of Aeronautics and other agencies owning and operating aircraft may furnish transportation to the Governor, Constitutional Officers, members of the General Assembly, members of state boards, commissions, and agencies and their invitees for official business only; no member of the General Assembly, no member of a state board, commission, or committee, and no state official shall use any aircraft of the Division of Aeronautics unless the member or official files within forty-eight hours after the time of departure of the flight with the Division of Aeronautics a sworn statement certifying and describing the official nature of his trip; and no member of the General Assembly, no member of a state board, commission or committee, and no state official shall be furnished air transportation by a state agency other than the Division of Aeronautics unless such agency

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prepares and maintains in its files a sworn statement from the highest ranking official of the agency certifying that the member's or state official's trip was in conjunction with the official business of the agency. Official business shall not include routine transportation to and from meetings of the General Assembly or committee meetings for which mileage is authorized.

All logs shall be signed by the parties using the flight and the signatures shall be maintained as part of the permanent record of any agency. All passengers shall be listed on the flight log by their legal name; passengers flying with an appropriate official of SLED or the ~~Division of State Development~~ Department of Commerce whose confidentiality must, in the opinion of SLED or the ~~division~~ department, be protected shall be listed in writing on the flight log as "Confidential Passenger SLED or the ~~Division of State Development~~ Department of Commerce (strike one)" and the appropriate official of SLED or the ~~division~~ department shall certify to the agency operating the aircraft the necessity for such confidentiality.

Violation of the above provisions of this section is prima facie evidence of a violation of Section ~~8-13-410(1)~~ 8-13-700(A) of the 1976 Code and shall subject a violating member of the General Assembly to the ethics procedure of his appropriate house and shall subject a violating member of a state board, commission or committee, or a state official to the applicable ethics procedure relating to them as provided by law. The above provisions do not apply to aircraft of the Division of Aeronautics when used by the Medical University of South Carolina, nor to aircraft of the athletic department or the educational foundations of any state-supported institution of higher education, nor to law enforcement officers when flying on state owned aircraft in pursuit of fugitives, missing persons, or felons or for investigation of gang, drug, or other violent crimes.

Aircraft owned by agencies of state government shall not be leased to individuals for their personal use.

- 89.31** **AMEND** (Travel Report) Requires the Comptroller General to issue an annual report on November 1st listing detailed information on state employee's prior year travel expenditures and distribute the reports to the Senate Finance and House Ways and Means Committees and to the Statehouse Press Room. Authorizes the Comptroller General to use up to \$500 to provide copies to the media and public upon request. Directs that registration fees be shown as a separate subtotal within the grand total for individual employees and the agency as a whole.
- PROVISO SUBCOMMITTEE RECOMMENDATION:** AMEND to delete specific reference to object codes 0507 and 0517 and instead specify "in-state and out-of-state" registration fees "(fees to attend conference, teleconferences, workshops, or seminars for training on a per person basis)." *The object codes contained within the proviso refer to the STARS system which is being phased out and replaced with SCEIS which does not use those object codes, nor do institutions of higher learning. Substitute language describes what the deleted object codes previously covered.* Fiscal Impact: No impact on the General Fund. Requested by Office of the Comptroller General.

89.31. (GP: Travel Report) Annually on November first, the Comptroller General shall issue a report on travel expenditures for the prior fiscal year which shall be distributed to the Senate Finance Committee, the House Ways and Means Committee, and the Statehouse Press Room. The Comptroller General may use up to \$500 of general fund appropriations for the purpose of providing copies to the media or the public upon request. The report must contain a listing for every agency receiving an appropriation in the annual General Appropriations Act. The listing must show at a minimum the top ten percent of employees for whom travel expenses and registration fees were paid within each agency, not to exceed twenty-five employees per agency. Agencies should include position titles for each of the top twenty-five

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travelers for each agency. Expenditures must include state, federal and other sources of funds. Expenditures for *in-state and out-of-state* registration fees (*fees to attend conferences, teleconferences, workshops, or seminars for training on a per person basis*) ~~with object codes 0507 and 0517~~ must be shown as a separate subtotal within the grand total for the individual employees and the agency as a whole. The list for each agency must be in rank order with the largest expenditure first and the name of the employee must be shown with each amount. Agencies should include a brief summary of the type of travel the agency incurs. The Comptroller General may provide additional information as deemed appropriate. The Comptroller General shall provide no exceptions to this report in that the information contained is not considered confidential or restricted for economic development purposes. However, further disclosure of detailed information shall be restricted as provided for by law.

- 89.38 DELETE** (Menu Option Telephone Answering Devices) Prohibit state agencies from expending funds for any type of menu option telephone answering device unless the system provides for access to an actual person. Direct that this requirement applies from 8:30 am until 5:00 pm Monday through Friday, excluding holidays.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~**89.38.** (GP: Menu Option Telephone Answering Devices) From the funds appropriated to state agencies, state agencies and their departments shall not expend funds for any type of menu option telephone answering device, unless the menu option system provides the caller with access to a nonelectronic attendant or automatically transfers the caller to a nonelectronic attendant. This requirement applies during the hours of 8:30 AM until 5:00 PM, Monday through Friday, excluding holidays. This requirement does not apply to integrated voice response systems that are specifically designed to exclude human interaction. No additional personnel may be hired to implement the requirements of this provision.~~

- 89.46 DELETE** (Accommodations Tax) Direct that for the current fiscal year, “tourist” as used in Section 6-4-10 [ALLOCATION TO GENERAL FUND; SPECIAL FUND FOR TOURISM; MANAGEMENT AND USE OF SPECIAL FUND] does not apply to museums, festivals, arts and cultural events or event’s sponsoring organization.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**89.46.** (GP: Accommodations Tax) For the current fiscal year the word ‘tourist’, as used in Section 6 4 10, does not apply to museums or to festivals, arts and cultural events, or the sponsoring organization of these events.~~

- 89.54 AMEND** (Constitutional Officer & Agency Head Voluntary Furlough) Authorizes constitutional officers and agency heads to take up to 36 days furlough in the current fiscal year while retaining all responsibilities and authority. Directs that funds saved may be retained by that agency and spent at the discretion of the constitutional officer. Directs that the constitutional officer or agency head is entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries; that required employer and employee contributions, including but not limited to contributions to the Retirement System or the optional retirement program, are the employer’s responsibility if coverage would otherwise be interrupted, and that benefits only requiring employee contributions are the responsibility of the constitutional officer or agency head.

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PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the number of voluntary furlough days a constitutional officer or agency head may take from 36 to 90. Fiscal Impact: No impact on the General Fund.

89.54. (GP: Constitutional Officer & Agency Head Voluntary Furlough) All constitutional officers and agency heads may take up to ~~thirty-six~~ ninety days furlough in the current fiscal year. The officials will retain all responsibilities and authority during the furlough. All monies saved from this furlough may be retained by that agency and expended at the discretion of the constitutional officer or agency head. During this furlough, the constitutional officer or agency head shall be entitled to participate in the same state benefits as otherwise available to them except for receiving their salaries. As to those benefits which require employer and employee contributions, the state agency will be responsible for making both employer and employee contributions if coverage would otherwise be interrupted; and as to those benefits which require only employee contributions, the constitutional officer or agency head remains solely responsible for making those contributions.

89.59 **AMEND** (Agencies Affected by Restructuring) Directs that upon the General Assembly's restructuring of state agencies in separate legislation, the B&C Board is to work with affected agencies to phase-in operations of restructured organizations; directs that restructured organizations should be operating entirely under the revised structure by June 30th of the current fiscal year; directs the board to work with affected agencies to identify and facilitate transfers of portions of operations not already accomplished; directs the Comptroller General and the State Treasurer to allow agencies to continue processing documents within the account structure that existed June 30th of the prior fiscal year until changes can be made to the State's accounting system; directs agencies to transition to the new account structure by June 30th of the current fiscal year; and directs the Office of State Budget to prepare the subsequent detail budget to conform Part IA and corresponding provisos in this Act to any restructuring changes ratified in separate legislation.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete reference to restructuring in "separate legislation" and change the time frame by which restructuring must be implemented from "June 30th" of the current fiscal year to "December 31st." Fiscal Impact: No impact on the General Fund.

89.59. (GP: Agencies Affected by Restructuring) Upon restructuring of state agencies by the General Assembly ~~in separate legislation~~, the Budget and Control Board is directed to work with affected State agencies in order to phase-in operations of restructured organizations during the current fiscal year. Restructured organizations should be operating entirely under the revised structure no later than ~~June thirtieth~~ December 31st, of the current fiscal year, unless otherwise directed by law. The Board is further directed to work with the affected agencies in order to identify and facilitate the transfer of any portion of their operations, including transfer of funds during the current fiscal year, which is affected by the restructured organization adopted by the General Assembly, but which has not already been accomplished herein. Until sufficient changes can be made to the State's accounting system and the appointment of appropriate agency heads, the Comptroller General and the State Treasurer shall allow those agencies affected by restructuring to continue processing documents within the account structure existing on June 30, of the prior fiscal year. Restructured agencies shall make all the necessary accounting adjustments to complete the transition to the new account structure as soon as possible, but no later than ~~June thirtieth~~ December 31st, of the current fiscal year, unless otherwise directed by law. The Budget and Control Board Office of State Budget is

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directed to prepare the subsequent detail budget to conform Part IA and corresponding provisos in this act to any restructuring changes that are ratified ~~in separate legislation~~.

89.61 **AMEND** (GP: Assessment Audit / Crime Victim Funds) Provides guideless for the process the State Auditor is to follow regarding authorities that have not properly allocated revenue generated from court fines, fines, and assessments to the crime victim funds or has not properly expended crime victim funds.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to authorize the State Office of Victim Assistance to conduct an “audit” rather than just a “programmatic review” of any entity or non-profit organization that receives victim assistance funding based on referrals from the State Auditor or on specific complaints which they have received. Rather than require any entity or non-profit that receives funds from “victim assistance” being required to submit an expenditure budget for those funds to the State Office of Victim Assistance, any entity that receives funding as described in Sections 14-1-206(B)(D) [ADDITIONAL ASSESSMENT, GENERAL SESSIONS OR FAMILY COURT; REMITTANCE; DISPOSITION; ANNUAL AUDITS], 14-1-207(B)(D) [ADDITIONAL ASSESSMENT, MAGISTRATE'S COURT; REMITTANCE; DISPOSITION; ANNUAL AUDITS], 14-1-208(B)(D) [ADDITIONAL ASSESSMENT, MUNICIPAL COURT; REMITTANCE; DISPOSITION; ANNUAL AUDITS], and 14-1-211(B) [SESSIONS COURT SURCHARGE; FUND RETENTION FOR CRIME VICTIM SERVICES; UNUSED FUNDS; REPORTS; AUDITS] must submit such a budget. Direct that failure to comply with this requirement will initiate a programmatic review and financial audit of the entity’s victim assistance expenditures and the entity’s name will be placed on the State Office of Victim Assistance website until they are in compliance. Require the entity pay the penalty in the amount of the unauthorized expenditure plus \$1,500 within 30 days of the notification that they are non-compliant. Direct the State Office of Victim Assistance to notify the State Treasurer’s Office if the penalty plus the \$1,500 is not paid within the 30 days. Direct the political subdivision to deduct the penalty amount from the entity’s subsequent fiscal year’s appropriation. Direct that funds withheld by the State Treasurer shall be deposited into the general fund.

89.61. (GP: Assessment Audit / Crime Victim Funds) If the State Auditor finds that any county treasurer, municipal treasurer, county clerk of court, magistrate, or municipal court has not properly allocated revenue generated from court fines, fines, and assessments to the crime victim funds or has not properly expended crime victim funds, pursuant to Sections 14-1-206(B)(D), 14-1-207(B)(D), 14-1-208(B)(D), and 14-1-211(B) of the 1976 Code, the State Auditor shall notify the State Office of Victim Assistance. The State Office of Victim Assistance is authorized to conduct an audit which shall include a programmatic review and financial audit of any entity or non-profit organization receiving victim assistance funding based on the referrals from the State Auditor or complaints of a specific nature received by the State Office of Victim Assistance to ensure that crime victim funds are expended in accordance with the law. Any local entity or non-profit organization ~~who~~ that receives funding ~~from victim assistance as described pursuant to Sections 14-1-206 (B)(D), 14-1-207 (B)(D), 14-1-208 (B)(D), and 14-1-211 (B)~~ is required to submit their budget for the expenditure of these funds to the State Office of Victim Assistance within thirty days of the ~~budget being approved by the local~~ budget’s approval by the governing entity body of the local political subdivision or non-profit organization. Failure to comply with this provision shall cause the State Office of Victim Assistance to initiate a programmatic review and a financial audit of the entity’s expenditures of victim assistance funds or non-profit organization. Additionally, the State Office of Victim Assistance will place the name of the non-compliant entity or non-profit organization on their website where it shall remain until such time as they

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are in compliance with the terms of this proviso. In addition, any Any entity or non-profit organization receiving victim assistance funding must cooperate and provide expenditure/program data requested by the State Office of Victim Assistance. If the State Office of Victim Assistance finds an error, the entity or non-profit organization has ninety days to rectify the error. An error constitutes an entity or non-profit organization spending victim assistance funding on unauthorized items as determined by the Victim Services Coordinating Council. If the entity or non-profit organization fails to cooperate with the programmatic review and financial audit or to rectify the error within ninety days, the State Office of Victim Assistance shall assess and collect a penalty of in the amount of the unauthorized expenditure plus \$1,500 against the entity or non-profit organization for improper expenditures ~~in a fiscal year.~~ This penalty plus \$1,500 must be paid within thirty days of the notification by the State Office of Victim Assistance to the entity or non-profit organization that they are in non-compliance with the provisions of this proviso. All penalties received by the State Office of Victim Assistance shall be credited to the General Fund of the State. If the penalty is not received by the State Office of Victim Assistance within ~~ninety~~ thirty days of the notification, ~~the political subdivision will deduct the amount of the penalty from the entity or non-profit organization's subsequent fiscal year appropriation~~ the State Office of Victim Assistance shall notify the State Treasurer's Office that the penalty plus \$1,500 has not been received within the appropriate time allowed. The political subdivision shall deduct the amount of the penalty from the entity's or non-profit's subsequent fiscal year's appropriation. Funds withheld by the State Treasurer shall be credited to the General Fund of the State.

- 89.88** **DELETE** (Transparency) Requires state agencies to publish on their homepage a listing of all programs funded during the current fiscal year with American Recovery and Reinvestment Act of 2009 funds. Directs that the listing include program name, location, starting date, and funding level and that the listing be updated quarterly.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~**89.88.** (GP: Transparency) State agencies must publish on their homepage a listing of all programs funded during the current fiscal year with funds from the American Recovery and Reinvestment Act of 2009 to include program name, location, starting date, and funding level. This listing must be updated quarterly to allow the public to easily identify how these funds are being used.~~

- 89.89** **DELETE** (ARRA Oversight) Directs the State Treasurer and the Comptroller General to organize and co-chair a committee for monitoring funds associated with the ARRA of 2009 and provides guidelines for the functions of the committee.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~**89.89.** (GP: ARRA Oversight) In order to provide transparency and accountability, and to maintain the separation of duties as provided by our Constitution, the State Treasurer and Comptroller General shall organize and co-chair a committee for monitoring funds associated with the American Recovery and Reinvestment Act of 2009. This committee shall collect information from state agencies and institutions regarding funds received from the American Recovery and Reinvestment Act of 2009. Information collected shall include, but not be limited to, the name of state agency or institution, the program designation, the purpose for which the funds were received and expended, and the amount of funds received and expended.~~

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~~The information shall also include data and documentation on job creation resulting from receipt of the federal stimulus funds and any other data or explanation as required by the American Recovery and Reinvestment Act of 2009. The co chairs may also require local government entities to provide any information deemed relevant to provide disclosure of the American Recovery and Reinvestment Act of 2009 funds to the public, including audit reports.~~

~~To provide funding for the central oversight costs for transparency and accountability of ARRA funding, the committee is directed to assess state agencies, except the Department of Transportation, as allowed by HR1 of 2009, an amount of funds equal to their pro rata share of ARRA funds received, adequate to fund the activities related to carrying out these functions. The total assessment shall not exceed the central administrative budget submitted to the federal government for these activities. The funds shall be transferred by the agencies assessed into an account established by the State Treasurer. Agencies are authorized and directed to transfer the invoiced amounts from appropriated or authorized funds. The Budget and Control Board, Office of State Budget shall assist agencies in identifying funding sources and making the necessary transfers. Funds are to be transferred by no later than October 1, 2010. At the end of the ARRA reporting period, any funds not expended for central administrative costs shall be remitted to the contributing agencies on a pro rata basis.~~

- 89.93** **DELETE** (Transfer Division of Aeronautics) Transfers the Division of Aeronautics and its duties, functions, responsibilities, personnel, equipment, supplies, appropriated , authorized, and carry forward funds and all other assets and resources from the Department of Commerce to the Budget and Control Board effective July 1, 2009.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Deletion of the proviso will cause the Division of Aeronautics to revert back to the Department of Commerce.*
Fiscal Impact: No impact on the General Fund.

~~**89.93.** (GP: Transfer Division of Aeronautics) Effective July 1, 2009, or as soon as practicable, the duties, functions, responsibilities, personnel, equipment, supplies, appropriated and authorized funds, carry forward funds and all other assets and resources of the Division of Aeronautics in the Department of Commerce are transferred to the Budget and Control Board.~~

- 89.102** **DELETE** (SCEIS-DHEC) Directs that the SCEIS program and DHEC complete implementation of the Financial and Procurement components of SCEIS for DHEC no later than August 2, 2010. Directs DHEC to spend funds as required to ensure the implementation is completed as scheduled. Directs the SCEIS program to use available resources to assist and support DHEC's implementation. Directs the SCEIS Team to report to the SCEIS Executive Oversight Committee monthly on its activities under this provision.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Completed.*
Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

~~**89.102.** (GP: SCEIS DHEC) It is the intent of the General Assembly that all agencies achieve the maximum benefit of accounting, management and transparency through the implementation of the South Carolina Enterprise Information System (SCEIS). To accomplish this goal at the Department of Health and Environmental Control for the SCEIS Financial and Procurement components of SCEIS, the SCEIS Program and the Department of Health and Environment Control are directed to complete the implementation of those components not later than August 2, 2010. The Department of Health and Environmental Control shall expend funds as required to ensure the implementation is completed as scheduled. The SCEIS Program shall use resources available to assist and support the Department of Health and Environmental~~

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~~Control implementation. The SCEIS Team shall make monthly reports to the SCEIS Executive Oversight Committee concerning its activities under this provision.~~

- 89.103 AMEND** (SCEIS-DOT) Directs that to ensure the goal of all agencies achieving implementation of the SCEIS program by June 30, 2011, certain processes will be implemented at the Department of Transportation to assist the agency with SCEIS implementation. **PROVISO SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change “June 30, 2011” to “September 30, 2011” pertaining to the goal date for implementation. Delete the requirement that an implementation plan be developed by September 1, 2010. *Plan has been developed. DOT requires extra time to be fully implemented.* Fiscal Impact: No impact on the General Fund.

89.103. (GP: SCEIS-DOT) It is the intent of the General Assembly that all agencies achieve the maximum benefit of accounting, management and transparency through the implementation of the South Carolina Enterprise Information System (SCEIS). In order to ensure this goal is completed by not later than ~~June 30~~ September 30, 2011 at the Department of Transportation, the following process shall be implemented. The SCEIS Program and the Department of Transportation shall form a DOT SCEIS Implementation Team dedicated to the successful implementation of SCEIS within the Department of Transportation. This team is directed to identify and implement high level interfaces to allow the Department of Transportation to remain operational as the Statewide Accounting and Reporting System, Human Resources and Payroll systems are retired prior to the full implementation of SCEIS within the Department of Transportation. ~~The DOT SCEIS Implementation Team is further directed to develop an implementation plan to identify the components to be fully implemented at the Department of Transportation and to develop the proposed scope, schedule and projected cost of these components not later than September 1, 2010.~~ The SCEIS Executive Oversight Committee is directed to establish a SCEIS/Department of Transportation Implementation subcommittee consisting of a senior manager designated by the Comptroller General, a senior manager designated by the Executive Director of the Budget and Control Board, and a senior manager designated by the Secretary of the Department of Transportation, and shall include staff as designated by the Department of Transportation and staff as designated by the SCEIS Program. In addition, the Department of Transportation shall include a senior management representative of the federal highway administration as an advisor to this subcommittee and as a member of the DOT SCEIS Implementation Team. The Department of Transportation may expend funds as determined under the implementation plan as necessary to maximize the long term return in the areas of finance, procurement, human resources and payroll, budgeting, federal aid billing, project management and other areas where modernization benefits the agency. The SCEIS Program shall use resources available to assist and support the Department of Transportation implementation.

- 89.105 DELETE** (SCEIS Set-Aside Accounts) Directs the Comptroller General to transfer all agency funds that remain in a SCEIS set-aside account to the B&C Board for the South Carolina Enterprise Information System (SCEIS) during FY 2010-11. Directs that the B&C Board, SCEIS program must assume responsibility for repayment of these transferred funds. **PROVISO SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Applied to a one-time transfer of funds to occur in FY 2010-11.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

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~~89.105. (GP: SCEIS Set-Aside Accounts) The Comptroller General is directed to transfer all agency funds remaining in a SCEIS set aside account to the Budget and Control Board for the South Carolina Enterprise Information System (SCEIS) during Fiscal Year 2010-11. The Budget and Control Board, SCEIS program must assume responsibility for repayment of the funds transferred under this provision.~~

89.108 AMEND (Commuting Costs) Requires state government employees who use a permanently assigned agency or state-owned vehicle to commute from their permanently assigned work location to and from home, to either reimburse their agency for the cost of fuel or the Comptroller General must report the personal use of the vehicle to the IRS. Requires these permanently assigned vehicles to be clearly marked as a state or agency vehicle through the use of state-government license plates and either state or agency seal decals unless the vehicle is primarily used in undercover operations. Excludes vehicles used for special travel assignment purposes, vehicles used by active certified law enforcement officers authorized to carry firearms, execute warrants, and make arrests, Constitutional Officers, agency heads and DOT employees on call for emergency maintenance.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to require the employee to reimburse the agency “for commuting use” in accordance with IRS regulations and “based on guidance from the Office of Comptroller General which must use the Cents per mile Rule, unless exempted from such reimbursement by applicable IRS regulations. Delete agency head exemption. *Conform to IRS rules.* Fiscal Impact: No impact on the General Fund.

~~89.108. (GP: Commuting Costs) State government employees who use a permanently assigned agency or state owned vehicle to commute from their permanently assigned work location to and from the employee’s home must either reimburse the agency in which they are employed for the cost of fuel or the personal use of the vehicle must be considered income and as such reported by the Comptroller General for commuting use in accordance with IRS regulations based on guidance from the Office of Comptroller General which must use the Cents per mile Rule, unless they are exempted from such reimbursement by applicable IRS regulations. These permanently assigned vehicles must be clearly marked as a state or agency vehicle through the use of permanent state-government license plates and either state or agency seal decals unless the vehicle is used primarily in undercover operations. This requirement does not apply to a vehicle used by an employee for the purpose of a special travel assignment, for active certified law enforcement officers authorized to carry firearms, execute warrants, and make arrests, for Constitutional Officers, ~~for agency heads,~~ or for Department of Transportation employees on call for emergency maintenance.~~

89.112 AMEND (State Agency Restructuring Study Committee) Creates a State Agency Restructuring Study Committee co-chaired by the Chairmen of the Senate Finance and Ways and Means Committees and composed of 10 additional members of the General Assembly. Directs the committee to review and recommended ways to further streamline government to realize maximum effectiveness and efficiency. Directs that committee’s scope is not limited but at a minimum it shall review Education; Health and Social Services; Natural Resources and Environmental Services; Cultural; Regulatory; and Transportation. Directs that the review, including a cost savings estimate, be submitted to the Chairmen of the Senate Finance and Ways and Means Committees by December 10, 2010.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the December 10, 2010 reporting date.

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89.112. (GP: State Agency Restructuring Study Committee) There is created a State Agency Restructuring Study Committee. The committee shall be co-chaired by the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee. Its membership shall consist of an additional ten members of the General Assembly appointed as follows: two members appointed by the President Pro Tempore of the Senate; one member of the Senate Finance Committee appointed by the Chairman of the Senate Finance Committee; one member appointed by the Senate Majority Leader; one member appointed by the Senate Minority Leader; two members appointed by the Speaker of the House of Representatives; one member of the House Ways and Means Committee appointed by the Chairman of the House Ways and Means Committee; one member appointed by the House Majority Leader; and one member appointed by the House Minority Leader.

The committee shall review and recommended ways to further streamline government to realize maximum effectiveness and efficiency. The committee shall not be limited in scope, but at a minimum it shall review (1) Education; (2) Health and Social Services; (3) Natural Resources and Environmental Services; (4) Cultural; (5) Regulatory; and (6) Transportation. This review, including an estimate of cost savings must be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House of Representatives Ways and Means Committee ~~by December 10, 2010.~~

89.117 DELETE (General Fund Transfer to Conservation Bank) Directs DOR to transfer \$1,500,000 to the S.C. Conservation Bank from the increased general fund revenue resulting from the motion picture wage rebate of 15% as required by Section 12-62-50 [TAX REBATE FOR EMPLOYMENT OF PERSONS SUBJECT TO SOUTH CAROLINA INCOME TAX WITHHOLDINGS] rather than 20% as authorized in prior appropriation acts.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~**89.117.** (GP: General Fund Transfer to Conservation Bank) The Department of Revenue is directed to transfer to the South Carolina Conservation Bank, \$1,500,000 of the increased general fund revenue resulting from the motion picture wage rebate of fifteen percent as required by Section 12-62-50 of the 1976 Code, rather than twenty percent as authorized in prior appropriation acts.~~

89.120 AMEND (Recovery Audits) Directs the B&C Board to contract with one or more consultants to conduct recovery audits of payments made by state agencies included in this act to vendors. Requires the audits be designed to detect and recover overpayments and erroneous payments to vendors and to recommend improved state agency accounting operations. Requires a state agency to pay, from recovered monies received, the recovery audit consultant responsible for obtaining a reimbursement from a vendor based on the following scale: 10% of up to the first \$1,000,000 recovered; 5% of \$1,000,001 to \$5,000,000 recovered; 2.5% of the amount recovered above \$5,000,001 with a maximum consultant payment of \$2,500,000. Directs the recovered funds, less recovery cost, to be remitted to a special fund subject to General Assembly appropriation. Authorizes agencies to recover costs that are documented to be directly related to implementation of this provision. Provides guidelines for which recovery audit should be conducted. Direct that the B&C Board provide copies of final recovery audit reports to the Governor, Chairmen of the Senate Finance and House Ways and Means Committees; and the state auditor's office and require the board issue a report to the General Assembly by January 1st each year, that summarizes all reports received under this provision during the prior fiscal year.

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PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the fee scale and instead direct that the consultant be paid a negotiated fee not to exceed 20% of the recovered monies received by a state agency. Requested by Budget and Control Board.

89.120. (GP: Recovery Audits) The Budget and Control Board shall contract with one or more consultants to conduct recovery audits of payments made by state agencies included in this act to vendors. The audits must be designed to detect and recover overpayments and erroneous payments to the vendors and to recommend improved state agency accounting operations. A state agency shall pay, from recovered monies received, the recovery audit consultant responsible for obtaining for the agency a reimbursement from a vendor ~~based on the following scale: 10% of up to the first \$1,000,000 recovered; 5% of \$1,000,001 to \$5,000,000 recovered; 2.5% of the amount recovered above \$5,000,001 with a maximum consultant payment of \$2,500,000~~ a negotiated fee not to exceed 20% of the recovered monies received by a state agency.

Funds recovered, less the cost of recovery, shall be remitted to a special fund subject to appropriation by the General Assembly. Agencies may recover costs that are documented to be directly related to implementation of this provision.

Recovery audits apply only to a payment made after a one hundred eighty day period from the date the payment was made.

All information provided under a contract must be treated as confidential by the vendor. A violation of this provision shall result in the forfeiture by the vendor of all recovery payments under the contract and to the same sanctions and penalties that would apply to that disclosure.

The Budget and Control Board shall require that recovery audits be performed in regard to state agencies which have total expenditures during a fiscal year in an amount that exceeds one hundred million dollars. Each state agency subject to this provision shall provide the recovery audit consultant with all information necessary for the audit. The Budget and Control Board may exempt from the mandatory recovery audit process a state agency that has a low proportion of its expenditures made to vendors, or sufficient internal procedures in place to prevent overpayments. The Budget and Control Board or a state agency in its discretion may require similar recovery audits of a state agency with expenditures of less than one hundred million dollars during a fiscal year.

Funds recovered, less the cost of audit and agency recovery, shall be remitted to a special fund subject to appropriation by the General Assembly. Agencies may recover costs that are documented to be directly related to implementation.

A state agency shall expend or return to the federal government any federal money that is recovered through a recovery audit conducted under this chapter. Payments to the recovery audit consultant from the federal share of recovered funds shall be solely from the federal portion as allowed by the federal agency.

The Budget and Control Board shall provide copies, including electronic form copies, of final reports received from a consultant under contract to: the Governor; the Chairman of the Senate Finance Committee; the Chairman of the House Ways and Means Committee; and the state auditor's office. Not later than January first of each year, the board shall issue a report to the General Assembly summarizing the contents of all reports received under this provision during the prior fiscal year.

89.smb **ADD** (Transfer OSMB to Secretary of State) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Office of Small and

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Minority Business Assistance located within the Governor's Office - OEPP to the Secretary of State's Office. Fiscal Impact: No impact on the General Fund.

89.smb. (GP: Transfer OSMB to Secretary of State) Effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Office of Small and Minority Business Assistance located within the Governor's Office of Executive Policy and Programs are transferred to the Secretary of State's Office.

89.fc **ADD** (Transfer Foster Care to DSS) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer, for the current fiscal year and effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Foster Care Review Board located within the Governor's Office - OEPP to DSS. Fiscal Impact: No impact on the General Fund.

89.fc. (GP: Transfer Foster Care to DSS) For the current fiscal year, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Foster Care Review Board located within the Governor's Office of Executive Policy and Programs are transferred to the Department of Social Services.

89.coc **ADD** (Transfer COC to DMH) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer, for the current fiscal year and effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Continuum of Care located within the Governor's Office - OEPP to DMH. Fiscal Impact: No impact on the General Fund.

89.coc. (GP: Transfer COC to DMH) For the current fiscal year, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Continuum of Care for Emotionally Disturbed Children located within the Governor's Office of Executive Policy and Programs are transferred to the Department of Mental Health.

89.gal **ADD** (Transfer GAL to DSS) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer for the current fiscal year and effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Guardian ad Litem Program located within the Governor's Office - OEPP to DSS. Require the transferred funds to be administered separately from other programs within DSS and that the funds be used exclusively for the Guardian ad Litem Program. Fiscal Impact: No impact on the General Fund.

89.gal. (GP: Transfer GAL to DSS) For the current fiscal year, effective July 1, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets of the Guardian ad Litem Program located within the Governor's Office of Executive Policy and Programs are transferred to the Department of Social Services. The funds must be administered separately from other programs within the department and must be expended for the exclusive use of the Guardian ad Litem Program.

89.gsc **ADD** (Guardian ad Litem Study Committee) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to establish a Guardian ad Litem Study Committee to bring accountability and transparency to the guardian ad litem system. Direct the committee to determine the efficacy of administration of the volunteer Guardian ad Litem

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Program within DSS and to analyze the program's ability to advocate in a transparent and independent manner for abused and neglected children within the DSS structure. Direct the committee to also determine ways to monitor performance and establish accountability of guardians appointed in private actions before the family court where custody or visitation of a minor child is an issue, including certification and oversight. Provide for composition of the study committee and direct that members shall serve without compensation. Direct that a status report be provided on the committee's findings and recommendations by January 10, 2012 to the Chairmen of the Senate Finance and House Ways and Means Committees. Fiscal Impact: No impact on the General Fund.

89.gsc. (GP: Guardian ad Litem Study Committee) For the current fiscal year, effective July 1, 2011, in order to bring accountability and transparency to the guardian ad litem process, a Guardian ad Litem Study Committee shall be established to determine:

1) the efficacy of administration of the volunteer Guardian ad Litem Program within the Department of Social Services. The study shall analyze the Guardian ad Litem Program's ability to advocate in a transparent and independent manner for abused and neglected children within the structure of the Department of Social Services.

2) ways in which to monitor performance and establish accountability of guardians ad litem appointed in private actions before the family court in which custody or visitation of a minor child is an issue, including certification and oversight.

The Guardian ad Litem Study Committee shall be composed of the following members: Director of Social Services, or her designee; Director of the Guardian ad Litem Program, or her designee; a member of the Joint Legislative Committee on Children appointed by the Chairman of the committee; Director of the SC Bar, or his designee; one volunteer guardian ad litem in good standing with the SC Guardian ad Litem Program, to be appointed by the Governor; and one private guardian ad litem in good standing with the family court, to be appointed by the Governor. Members appointed by the Governor must not be employees of the State of South Carolina. Members shall serve at the pleasure of the appointing authority. The Director of the Department of Social Services and the Director of the Guardian ad Litem Program shall serve as co-chairs. Members of the study committee shall serve without compensation.

The study committee shall provide a report on the status of their findings and recommendations to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 10, 2012.

89.pr **ADD** (Transfer Procurement Review Panel to ALC) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer for the current fiscal year and effective July 1, 2011, the duties, functions, and responsibilities of the Procurement Review Panel to the Administrative Law Court. Fiscal Impact: No impact on the General Fund.

89.pr. (GP: Transfer Procurement Review Panel to ALC) For the current fiscal year, effective July 1, 2011, the duties, functions, and responsibilities of the Procurement Review Panel are transferred to the Administrative Law Court.

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- 89.cbt** **ADD** (BCB Transfer to Conservation Bank) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the B&C Board, for FY 2011-12, to transfer \$1,000,000 from Subfund 4154, Ordinary Sinking Fund to the S.C. Conservation Bank. Direct that this transfer shall not require B&C Board approval.

89.cbt. (GP: BCB Transfer to Conservation Bank) For Fiscal Year 2011-12, the Budget and Control Board is directed to transfer to the South Carolina Conservation Bank, \$1,000,000 from Subfund 4154, Ordinary Sinking Fund. Transfer of these funds shall not require State Budget and Control Board approval.

- 89.da** **ADD** (Transfer Division of Aeronautics to DOT) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to transfer, for the current fiscal year and effective July 1, 2011, the duties, functions, responsibilities, personnel, equipment, supplies, appropriated, authorized, and carry forward funds, and all other assets and resources of the Division of Aeronautics to DOT. Direct that the division operate under the purview of the Aeronautics Commission, be administered separately from other programs within DOT, and require division funds be expended exclusively for the Division of Aeronautics. Require DOT provide administrative support to the Division of Aeronautics upon request. Fiscal Impact: No impact on the General Fund.

89.da. (GP: Transfer Division of Aeronautics) For the current fiscal year, effective July 1, 2011, or as soon as practicable, the duties, functions, responsibilities, personnel, equipment, supplies, appropriated and authorized funds, carry forward funds and all other assets and resources of the Division of Aeronautics are transferred to the Department of Transportation.

The Division of Aeronautics shall operate under the purview of the Aeronautics Commission, must be administered separately from other programs within the Department of Transportation, and division funds must be expended for the exclusive use of the Division of Aeronautics. The Department of Transportation shall provide administrative support to the Division of Aeronautics as needed upon request.

- 89.tar** **ADD** (Transfer SLED/DNR Aircraft Responsibility) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct, for the current fiscal year, effective July 2, 2011, to transfer the duties, functions, responsibilities, personnel, funding, and physical assets assigned to aircraft operations for SLED and DNR to the State Aeronautics Commission. Fiscal Impact: Pending.

89.tar. (GP: Transfer SLED/DNR Aircraft Responsibility) For the current fiscal year, effective July 2, 2011, the duties, functions, responsibilities, personnel, funding, and physical assets assigned to aircraft operations for the State Law Enforcement Division and the Department of Natural Resources are transferred to the State Aeronautics Commission.

SECTION 90 - X91 - STATEWIDE REVENUE

- 90.1** **AMEND** (Year End Expenditures) Directs year-end expenditure deadlines.
PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change fiscal year reference from “2011” to “2012” and “July 15, 2011” to “July 13, 2012.” Fiscal Impact: No impact on the General Fund.

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90.1. (SR: Year End Expenditures) Unless specifically authorized herein, the appropriations provided in Part IA of this act as ordinary expenses of the State Government shall lapse on July 31, ~~2011~~ 2012. State agencies are required to submit all current fiscal year input documents to the Office of Comptroller General by July ~~15, 2011~~ 13, 2012. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided.

90.3 **AMEND** (Tobacco Settlement) Directs the State Treasurer, upon approval of the Tobacco Settlement Revenue Management Authority and parties to the trust agreement, to transfer \$10,000,000 from the unrestricted taxable proceeds portion of the principal of the Healthcare Tobacco Settlement Trust Fund to the Department of Health and Human Services to be spent for Medicaid. Authorizes the State Treasurer to transfer to the Attorney General, from funds available to the Tobacco Settlement Management Authority, amounts necessary for further enforcement of the Tobacco Escrow Fund Act, which will protect payments to the State under the Master Settlement Agreement. Authorizes and directs the State Treasurer to transfer up to \$1,200,000 to the General Fund from funds available to the Tobacco Settlement Revenue Management Authority to reimburse amounts previously appropriated for Tobacco Arbitration Settlement pursuant to Proviso 73.14(B) item 99 of Act 397 of 2006. Directs that any remaining balance from the appropriation be remitted to the General Fund, but limits the combined transfer and reimbursement to not more than \$1,200,000.

PROVISO SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete requirement to reimburse the General Fund up to \$1,200,000 from amounts previously appropriated for Tobacco Arbitration Settlement. *Transfer and reimbursement have been completed.* Fiscal Impact: No impact on the General Fund. One-time transfer. Requested by State Treasurer's Office.

90.3. (SR: Tobacco Settlement) Contingent upon the approval of the Tobacco Settlement Revenue Management Authority and parties to the trust agreement, the State Treasurer shall transfer an amount equal to \$10,000,000 from the unrestricted taxable proceeds portion of the principal of the Healthcare Tobacco Settlement Trust Fund established pursuant to Section 11-11-170(B)(1) of the 1976 Code to the Department of Health and Human Services to be expended as follows: \$10,000,000 for Medicaid. The State Treasurer is authorized and directed to transfer to the Office of the Attorney General from funds available to the Tobacco Settlement Management Authority such amounts as shall be necessary for the enforcement of Chapter 47 of Title 11, The Tobacco Escrow Fund Act, which will protect the payments to the State under the Master Settlement Agreement. ~~The State Treasurer is further authorized and directed to transfer to the General Fund from funds available to the Tobacco Settlement Revenue Management Authority up to \$1,200,000 to reimburse amounts previously appropriated for Tobacco Arbitration Settlement pursuant to Proviso 73.14(B) item 99 of Act 397 of 2006. Any remaining balance from the appropriation shall be remitted to the General Fund, but the combined transfer and reimbursement shall not total more than \$1,200,000.~~

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- 90.6** **DELETE** (LGF) Suspends Section 6-27-30 [FUNDING OF LOCAL GOVERNMENT FUND FROM GENERAL FUND REVENUES] for the current fiscal year.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~90.6. (SR: LGF) For the current fiscal year, Section 6-27-30 of the 1976 Code is suspended.~~

- 90.8** **DELETE** (Repayment of Deficit) Directs the State Treasurer to transfer, specific sources of revenue for the repayment of the FY 08-09 general operating fund deficit prior to the close of books for FY 09-10 and directs expenditure of any remaining funds from identified sources to be transferred to the General Reserve Fund.
PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~90.8. (SR: Repayment of Deficit) The State Treasurer is directed to transfer, prior to the close of the books for Fiscal Year 2009-10, the sources of revenue identified in this provision for the repayment of the Fiscal Year 2008-09 general fund operating deficit. The transfers are to be made in the following priority order as funds are available:~~

- ~~(1) Excess Fiscal Year 2009-10 general fund revenue above the statewide adjusted agency appropriations;~~
~~(2) \$2,500,000 from P16 — Department of Agriculture, Subfund 3079, Renewable Energy Infrastructure Development Fund;~~
~~(3) \$9,431,724 from F03 — Budget and Control Board, Subfund 3146; and~~
~~(4) \$7,341,716 from F03 — Budget and Control Board, Fiscal Year 2009-10 Educational Broadband Spectrum Lease receipts.~~

~~Upon the complete repayment of the Fiscal Year 2008-09 general fund operating deficit any remaining funds from sources (2) through (4) are to be transferred in Fiscal Year 2010-11 to the General Reserve Fund.~~

~~From the escrow account established pursuant to Proviso 90.13 of Act 310 of 2008, there shall remain \$4,300,000 in the account to offset any operating shortfalls resulting from the Barnwell Low Level Waste Facility operations in order to preserve the economic viability of the facility. The amount distributed to offset any operating shortfalls shall be determined by calculating the difference between the allowable operating costs plus adjustments as approved by the Public Service Commission, and the access fees paid by the Atlantic Compact generators. Funds remaining in the account to offset operating shortfalls may also be used to maintain access fees to the facility for Fiscal Year 2010-11 at the Fiscal Year 2009-10 level. The Budget and Control Board may authorize the expenditure of funds, not to exceed \$700,000, from the escrow account for any actions taken by the Attorney General's Office and expenses associated with such actions relating to the Nuclear Waste Policy Act of 1982. The Attorney General's Office is authorized to retain, expend, and carry forward these funds for the Yucca Mountain suit on the behalf of the State of South Carolina. The Attorney General's Office is authorized to use a portion of these funds to reimburse the office for any Yucca Mountain expenses incurred in the prior fiscal year. There shall also be paid from the escrow account the annual dues of the Southern States Energy Board.~~

- 90.9** **DELETE** (Nonrecurring Revenue – Increased Enforcement Collections) Directs the Department of Revenue to continue increased enforcement collections efforts as established in FY 09-10. Authorizes the department to collect revenues from any source within its jurisdiction, including, but not limited to, corporate, individual or sales tax collections, but

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directs the department to especially focus on enforced collections and outstanding liabilities. Directs that these funds are to be deposited into a fund separate and distinct from the general fund within the State Treasurer’s Office, except direct that motor fuel funds collected as a result of the enforced collection efforts be distributed in the same manner as other motor fuel tax revenues are currently distributed. Directs the department to develop internal mechanisms to insure the integrity of customary and usual enforced collections. Directs the department, when it determines quarterly customary and usual enforced collections have been exceeded, to deposit the excess funds into the separate and distinct fund not to exceed the totals as provided in this provision. Directs the State Treasurer, for FY 10-11, to disburse specific amounts to identified agencies.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~90.9. (SR: Nonrecurring Revenue – Increased Enforcement Collections) For Fiscal Year 2010-11, the Department of Revenue shall continue its efforts pertaining to increased enforcement collections as established in Fiscal Year 2009-10.~~

~~The department may collect revenues from any source within its jurisdiction, which may include but is not limited to corporate, individual or sales tax collections but especially shall focus on enforced collections and outstanding liabilities.~~

~~These funds shall be deposited in a fund separate and distinct from the general fund as established within the Office of the State Treasurer, except that any motor fuel funds collected as a result of the enforced collection efforts shall be distributed in the same manner as other motor fuel tax revenues are currently distributed.~~

~~The Department of Revenue shall develop internal mechanisms to insure the integrity of customary and usual enforced collections. When the department determines that the quarterly customary and usual enforced collections have been exceeded, the department shall deposit the excess funds into the separate and distinct fund not to exceed the totals as provided in this provision.~~

~~For the fiscal year beginning July 1, 2010 and ending June 30, 2011, the State Treasurer shall disburse \$3,625,000 to E28 Election Commission for the 2010 General Election, \$250,000 to D05 Governor’s Office of Executive Control of State for transition costs, and \$100,000 to E04 Office of Lieutenant Governor for transition costs, and shall then disburse quarterly the following funds on a pro rata basis:~~

(1) Part IA State General Fund.....	\$ 11,257,832;
(2) F03 Budget and Control Board	
 SCEIS.....	\$ 2,179,716;
(3) H03 Commission on Higher Education	
 SREB Dues	\$ 413,929;
(4) H59 State Board for Technical and	
 Comprehensive Education CATT Program	\$ 7,000,000;
(5) P32 Department of Commerce	
 Deal Closing Fund	\$ 5,000,000;
(6) A01 The Senate	
 Reapportionment.....	\$ 1,000,000;
(7) P28 Department of Parks, Recreation and Tourism	
 Operating Expenses.....	\$ 1,000,000;
(8) H63 Department of Education	
 Career and Technology Education (CATE)	
 Textbooks and Resource Materials	\$ 662,000;

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(9) H63 Department of Education	
Transportation	\$ 900,000;
(10) H63 Department of Education	
School Bus Fuel	\$ 11,000,000
(11) H63 Department of Education	
Governor's School for the Arts and the Humanities	\$ 500,000;
(12) H63 Department of Education	
Governor's School for Math and Science	\$ 500,000;
(13) E21 Prosecution Coordination Commission	
Operating Expenses	\$ 1,000,000;
(14) E23 Commission on Indigent Defense	
Operating Expenses	\$ 1,000,000;
(15) X44 Aid to Subdivisions Department of Revenue	
Homestead Exemption Shortfall	\$ 35,480,071;
(16) L12 John de la Howe School	
Operating Expenses	\$ 308,765;
(17) L71 Wil Lou Gray Opportunity School	
Operating Expenses	\$ 308,764;
(18) N04 Department of Corrections	
Operating Expenses	\$ 8,571,992;
(19) N08 Department of Probation, Parole and	
Pardon Services Sentencing Reform Act	\$ 510,000;
(20) N08 Department of Probation, Parole and Pardon	
Services Ignition Interlock Implementation	\$ 67,000;
(21) N12 Department of Juvenile Justice	
Operating Expenses	\$ 2,000,000; and
(22) B04 Judicial Department	
Operating Expenses	\$ 2,900,000.

~~Once sufficient revenue has been collected to fully fund the above items, the first \$8,000,000 of excess revenue shall be transferred to the Department of Motor Vehicles to reimburse the department for the funds transferred to other agencies by proviso 90.10 of this act. The next \$1,000,000 of excess revenue shall be transferred to the Forestry Commission for expenses associated with firefighting activities. The next \$1,000,000 shall be transferred to the National Guard. Any excess increased tax enforcement collections revenue above the amounts identified in this provision shall be transferred to the General Fund of the State.~~

~~To insure that customary and usual enforced collections are unaffected by this provision, the Office of the State Treasurer may not disburse funds from this account until the following schedule of General Fund enforced collections are deposited by the Department of Revenue by the end of each quarter in the fiscal year. If quarterly General Fund enforced collections do not reach the required levels, distributions from this account are suspended for that quarter. The required deposits of quarterly General Fund enforced collections by the end of each quarter are:~~

July to September 2010	\$ 90,000,000
October to December 2010	\$180,000,000
January to March 2011	\$270,000,000
April to June 2011	\$360,000,000

~~The Department of Revenue shall report on a quarterly basis to the finance committees of the General Assembly and to the Board of Economic Advisors on the amount of customary and usual enforced collections and the excess collections from the enhanced collection activities. The Department of Revenue shall provide data to the finance committees of the General~~

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~~Assembly and the Board of Economic Advisors on prior years enforced collections to assist in monitoring revenue collection seasonal flows that impact the funding of state government programs.~~

~~By this provision these funds are deemed to have been received and are available for appropriation.~~

- 90.10 DELETE** (Non-Recurring Revenue Transfers) Directs DMV, if the funds transferred from the department by proviso 90.20 of the FY 09-10 appropriation act have been repaid per proviso 90.21 of the same act, to transfer \$7,000,000 from those funds to Clemson for the Drive Train Test Facility. Directs DOT to transfer \$10,000,000 from Subfund 4862, Non-Federal Aid Highway Funds to the General Fund of the State. Suspends, for FY 10-11, the license plate replacement interval until the funds transferred to other agencies within this provision are repaid to the department or until the Plate Replacement Fee Fund has enough of a balance to reinstitute license plate replacement. Directs that restrictions concerning specific use of these funds are lifted for the fiscal year.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~90.10. (SR: Non-Recurring Revenue Transfers) If the funds transferred from the Department of Motor Vehicles by proviso 90.20 of Act 23 of 2009 have been repaid pursuant to proviso 90.21 of Act 23 of 2009, the Department of Motor Vehicles shall transfer, from these funds, \$7,000,000 to H12—Clemson University for the Drive Train Test Facility.~~

~~The Department of Transportation shall transfer \$10,000,000 from Subfund 4862, Non-Federal Aid Highway Funds to the General Fund of the State.~~

~~For Fiscal Year 2010-11, the license plate replacement interval is suspended until the funds transferred to other agencies within this provision are repaid to the department pursuant to proviso 90.9 of this act or by any other source of funds, or until such time as the Plate Replacement Fee Fund has a sufficient balance to reinstitute license plate replacement.~~

~~Any restrictions concerning specific utilization of these funds are lifted for the specified fiscal year.~~

- 90.12 DELETE** (Zero Based Budgeting Study) Directs the State Treasurer's Office to study and make recommendations on suggested procedures and implementation dates regarding implementing a zero-based budgeting process for every state agency, department, instrumentality, entity, or institution. Directs that the study include a determination and establishment of functional areas for state government within which agencies shall operate and to establish suggested performance standards, objectives, and measuring criteria for each agency within its functional area. Directs that higher education institutions are to be included in the study. States that the goal and intent of the study is for better and more efficient analysis and use of authorized and appropriated state funds. Directs that the State Treasurer's Office is responsible for the study and that recommendations will be submitted to the General Assembly at the beginning of the 2011 session, and that quarterly progress reports must be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

~~90.12. (SR: Zero Based Budgeting Study) The Office of State Treasurer shall study and make recommendations including suggested procedures and implementation dates regarding the implementation of a zero based budgeting process for every state agency, department,~~

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~~instrumentality, entity, or institution. Included in this study shall be a determination and establishment of functional areas for state government within which state agencies, departments, and institutions shall operate, and the establishment of suggested performance standards, objectives, and measuring criteria for each agency within its functional area. Institutions of higher education shall also be included in this study. The goal and intent of this study is for better and more efficient analysis and utilization of authorized and appropriated state funds for the benefit of the citizens of this State. The Office of State Treasurer is responsible for this study and recommendations which shall be submitted to the General Assembly at the beginning of its 2011 session. Prior to completion of this study and these recommendations, progress reports must be submitted at the end of each quarter to the chairmen of House Ways and Means and Senate Finance.~~

90.13 DELETE (Pfizer Settlement) Directs the Attorney General to transfer to the Department of Health and Human Services for Medicaid Maintenance of Effort, all funds received from the state's settlement agreement with Pfizer Incorporated.

PROVISO SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**90.13.** (SR: Pfizer Settlement) The Attorney General is directed to transfer all funds received as a result of the state's settlement agreement with Pfizer Incorporated to the Department of Health and Human Services for Medicaid Maintenance of Effort.~~

90.icf ADD (Increased Enforced Collection Carry Forward) **PROVISO SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize funds appropriated pursuant to Proviso 90.16 in Part IB of Act 291 of 2010 to be carried forward and used for the same purposes. Fiscal Impact: No impact on the General Fund.

90.icf. (SR: Increased Enforced Collections Carry Forward) Unexpended funds appropriated pursuant to Proviso 90.16 in Part IB of Act 291 of 2010 may be carried forward from the prior fiscal year into the current fiscal year and shall be expended for the same purposes.

THE BELOW PROVISOS ARE AFFECTED BY THE RESTRUCTURING RECOMMENDED BY THE SUBCOMMITTEE.

SUBCOMMITTEE RECOMMENDATION IS TO MOVE PROVISOS TO THE APPROPRIATE AGENCY AND/OR AMEND PROVISOS TO CONFORM TO SUBCOMMITTEE'S RESTRUCTURING RECOMMENDATION

DIVISION OF AERONAUTICS

68D.1. (AERO: Reimbursement for Services Carry Forward) The Division of Aeronautics may retain and expend reimbursements derived from charges to other government agencies for service and supplies for operating purposes and that a reserve not to exceed \$300,000 may be carried forward to the current fiscal year for the replacement of time limit aircraft components.

68D.2. (AERO: Office Space Rental) Revenue received from rental of Division of Aeronautics office space may be retained and expended to cover the cost of building operations.

68D.3. (AERO: Funding Sequence) All General Aviation Airports will receive funding prior to the four air carrier airports (i.e. Columbia, Charleston, Greenville-Spartanburg, Myrtle Beach Jetport) as

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these qualify for special funding under the DOT/FAA appropriations based on enplanements in South Carolina. This policy may be waived to provide matching state funds for critical FAA safety or capacity projects at air carrier airports.

68D.4. (AERO: Hangar/Parking Facilities) The Division of Aeronautics will provide hangar/parking facilities for government owned and/or operated aircraft on a first come basis. Funds shall be retained by the division for the purpose of hangar and parking facility maintenance. The Hangar Fee Schedule shall be determined by the division and shall not exceed local average market rates.

Personnel from the agencies owning and/or operating aircraft will be responsible for ground movement of their aircraft.

68D.5. (AERO: Airport Development) Any line item appropriation for airports shall be disbursed for eligible airport development items as approved by the Aeronautics Commission.

68D.6. (AERO: Grant Funds Carry Forward) Any unexpended balance on June thirtieth, of the prior fiscal year, for Matching National Grant Funds, may be carried forward to the current fiscal year and used for matching committed and/or unanticipated grant funds.

68D.7. (AERO: Carry Forward Sale of Aircraft Proceeds) The Division of Aeronautics may carry forward proceeds from the sale of aircraft to be used for replacement aircraft, required Federal Aviation Administration upgrades to existing aircraft, and other Division purposes.

68D.8. (AERO: Aviation Grants) The funds appropriated for Aviation Grants, in this bill or any bill supplemental thereto, shall be credited to the State Aviation Fund within the Division of Aeronautics for the following purposes:

(1) to allow the maximization of grant funds available through the Federal Aviation Administration for capital improvement projects;

(2) for maintenance projects of general aviation airports; and or

(3) for aviation education related programs including, but not limited to, educating young people about careers in the aviation industry and/or the promotion of aviation in general.

Sponsors of publicly owned airports for public use are eligible to receive grants pursuant to this provision, but the airport must have a current development plan that meets the planning requirements of the National Plan of Integrated Airports Systems.

The Aeronautics Commission shall promulgate regulations establishing the grants program that, at a minimum, address: (1) priorities among improvements qualifying for grants; (2) an airport selection process to ensure an equitable distribution of funds among eligible airports; and (3) the criteria for distribution of funds among eligible airports.

Enabling airport sponsors to meet basic Federal Aviation Administration safety guidelines for obstruction clearance must be a major factor in the priority guidelines established by the Aeronautics Commission pursuant to this provision. The Commission also shall have discretion consistent with Section 55-5-170 of the 1976 Code to establish a program to grant Aviation Fund dollars for these purposes at the ratio of eighty percent from the fund to twenty percent from the local airport sponsor, or any ratio with a smaller relative contribution from the fund.

A report on the expenditure of these funds shall be submitted to the Senate Finance Committee and the House Ways and Means Committee.

Unspent funds from the prior fiscal year may be carried forward to the current fiscal year and spent for like purposes.

68D.9. (AERO: Grant Match Funds) The funds appropriated to the Division of Aeronautics for FAA grant matching, may be used to match state and local aviation airports projects whether or not they have received FAA funding. Any funds must be approved by the Aeronautics Commission prior to being awarded.

68D.10. (AERO: Transfer of MUSC Aircraft) Title and ownership of the Medical University of South Carolina's Beechcraft King Air 90C model is transferred to the Aeronautics Commission for official use by the state in the manner prescribed by law. It is the intent of the General Assembly that the Aeronautics

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Commission shall provide funding to the Medical University to cover the value of the aircraft as soon as funding is available.

FOSTER CARE REVIEW BOARD

72.13. (GOV: OEPP - Foster Care-Private Foster Care Reviews) The Division of Foster Care is authorized to restructure its programs, including but not limited to, suspending reviews of children privately placed in private foster care and/or changing the location of reviews of children in public foster care, to maintain continuous operations within existing resources as dictated by recent budget reductions. These decisions must be based upon the availability of existing funds. This provision supersedes any previous statutory or regulatory mandate.

CONTINUUM OF CARE

72.18. (GOV: OEPP - Continuum of Care Carry Forward) The Division of Continuum of Care may carry forward funds appropriated herein to continue services.

GUARDIAN AD LITEM

72.17. (GOV: OEPP - Guardian Ad Litem Program) Both the program and the funds appropriated to the Governor's Office, Division of Children's Services, Guardian ad Litem Program must be administered separately from other programs within the Division of Children's Services and must be expended for the exclusive use of the Guardian ad Litem Program.

For the current fiscal year, the Department of Revenue is directed to reduce the rate of interest paid on eligible refunds by two percentage points. The revenue resulting from this reduction must be used exclusively for operations of the Guardian ad Litem program and be deposited in the State Treasury in a separate and distinct fund know as the "South Carolina Guardian ad Litem Trust Fund. Unexpended revenues in this fund carry forward to succeeding fiscal years, and earnings in this fund must be credited to it. The Guardian ad Litem program may carry forward the other funds authorized herein for its operations from the prior fiscal year into the current fiscal year.